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

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**EVIDENCE**

**Thursday, February 28, 2019**

—  
**Chair**

**The Honourable Judy A. Sgro**



## Standing Committee on Transport, Infrastructure and Communities

Thursday, February 28, 2019

• (1105)

[English]

**The Chair (Hon. Judy A. Sgro (Humber River—Black Creek, Lib.)):** I'm calling the meeting to order.

Pursuant to Standing Order 108(2), we are doing a study of the subject matter of the supplementary estimates (B) 2018-19: votes 1b, 5b, 10b and 15b under Department of Transport; vote 10b under Office of Infrastructure of Canada; vote 1b under The Jacques-Cartier and Champlain Bridges Inc.; and vote 1b under VIA Rail Canada Inc.

Before I call on the witnesses, I understand that Mr. Carrie wants the floor.

**Mr. Colin Carrie (Oshawa, CPC):** Yes. Thank you very much, Madam Chair.

I want to thank my colleagues for allowing me to be here. I'd like to move the motion put on record by Madam Block on February 25, 2019:

That the Committee, pursuant to Standing Order 108(2), undertake a study of two meetings on the government's intent to amalgamate the Oshawa and Hamilton port authorities and that the study include: any consultations the government held with stakeholders, the business and governance model, its impact on the local economies and the province of Ontario as well as consultations with the municipalities involved, and that the Committee report its findings to the House.

Madam Chair, I know this committee is doing some great work with the Canadian transportation and logistics study. I understand that there's been an interim report and a lot of good work done in this regard, but I need to bring this up because it's an extremely timely issue for my community. There's a deadline. I think everybody around the table knows that Oshawa got a really big hit recently with the General Motors announcement of the plant closure, and now one of our secondary economic drivers is really hit with some uncertainty.

Our port authority is really important for the city and the region's economic plan. On February 5, the Minister of Transport announced on Newswire—he didn't even pick up the phone and talk to our mayor—that it's the Liberal government's intent to amalgamate the Oshawa and Hamilton port authorities to form a new entity.

The decision was actually a shock to our business leaders and our users. To quote our mayor, Dan Carter, he said, “On behalf of City Council and staff, we were taken aback by the Government of Canada's premature announcement that it intends to amalgamate the two ports.”

Now, the government was very clear that they would make decisions with openness and transparency and with a commitment to consultation. Well, the minister's office didn't meet with any stakeholders, including the City of Oshawa, the port users, the port authority, members of the indigenous communities, the chamber of commerce, the employees, the unions, the importers and the shippers. No one from the ministry will actually come down to Oshawa to answer the numerous questions that we have, and no one will provide an explanation or a rationale for the amalgamation. The announcement is actually raising more questions than answers and, frankly, it's very difficult to give any answers.

These are the questions I'm getting: What problem will the amalgamation resolve? How will it affect our local businesses? How will the local interests be protected in the structuring of the new entity? How will contracts be affected? Why is this amalgamation in the best interests of Oshawa and Durham region? What marketing analysis and financial analysis support the amalgamation? Is there any plan for public hearings or town halls to allow Oshawa to provide input into this decision? No other ports are being amalgamated, and the question I'm getting is why. Was Toronto even considered? If so, why or why not?

This is something that we've spent millions of dollars on, over uncountable hours, to make sure that we have a locally controlled clean and green port. This announcement is causing more uncertainty and hampering decisions that will improve our economic competitiveness in moving forward.

There's been so much secrecy around the announcement. This is really important to Oshawa and Durham region and we deserve to at least be consulted before the decision is made. We participated in the government's ports modernization review, and the review hasn't even been released yet.

We have only until March 11 to submit comments, and the questions I'm getting are why, why now, and why does this need to be done so quickly. The city is respectfully asking for an extension of 90 days so that proper, respectful consultation can occur. The study that we would do here would be an important part of that. The mayor and all the stakeholders are willing to commute and to come up and be in front of the committee here if that would help.

With that, Madam Chair, I know that you have a really important meeting planned, but I would like to ask if we could get a vote on this very important issue for me locally, and if we could have a recorded vote, please.

**The Chair:** I'm going to make a suggestion. Given the fact that we have such a full table of people critical to sharing information with us, would the mover of the motion allow us, if the committee wishes, to hold it down until we complete the witnesses' testimony? We would deal with it in committee business following their presentations.

**Mr. Colin Carrie:** Madam Chair, respectfully, this is something that is extremely timely, and it's not going to take very long.

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

Is there any further discussion or debate?

I'll call the vote on the motion moved by Mr. Carrie.

**Mr. Colin Carrie:** We will have a recorded vote, right?

**The Chair:** Yes.

(Motion negatived: nays 5; yeas 4)

**The Chair:** Mr. Jeneroux.

**Mr. Matt Jeneroux (Edmonton Riverbend, CPC):** Madam Chair, it won't take up a lot of time. I just that that in terms of speeding along the meeting, on this side of the table we are okay with forgoing the opening comments of the two speakers since we have them in writing, if everyone else is.

**An hon. member:** No.

• (1110)

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

I'd like to welcome our witnesses today. From Transport Canada we have Michael Keenan, deputy minister, along with Kevin Brosseau, assistant deputy minister, safety and security; André Lapointe, assistant deputy minister, corporate services, and chief financial officer; and Anuradha Marisetti, assistant deputy minister, programs.

For the Office of Infrastructure of Canada, we have Kelly Gillis, deputy minister, infrastructure and communities; as well as Nathalie Bertrand, assistant deputy minister and chief financial officer, corporate services.

On behalf of the Windsor-Detroit Bridge Authority, we have Bryce Phillips, chief executive officer; Heather Grondin, vice-president, communications and stakeholder relations; as well as Mike St. Amant, chief financial and administrative officer.

For the Canadian Transportation Agency, we have Scott Streiner, chair and chief executive officer; and Manon Fillion, chief corporate officer.

For The Jacques-Cartier and Champlain Bridges Inc., we have Sandra Martel, interim chief executive officer; and Claude Lachance, senior director, administration.

Finally, on behalf of VIA Rail Canada Inc., we have Jacques Fauteux, director of government and community relations; and Patricia Jasmin, chief financial officer.

Welcome, everyone, to our committee. Thank you so very much for being here. I know that we asked all of you to take five minutes for your opening remarks, but given our limitations on time, perhaps

I could ask you to be as brief as possible to the points that you know the committee is more anxious to hear about. Thank you very much.

We will go to Mr. Keenan, or whoever would like to go first.

**Mr. Michael Keenan (Deputy Minister, Department of Transport):** Thank you, Madam Chair.

[*Translation*]

We are pleased to be here with our colleagues from Infrastructure Canada to take part in these discussions.

Officials from Transport Canada, the Crown corporations, agencies, and administrative tribunals that make up the Transport Canada portfolio work every day to make Canada's transportation system safer, more reliable, more efficient, and more environmentally responsible.

We are also committed to sound fiscal management and solid stewardship of government resources, while delivering results for Canadians.

In the supplementary estimates (B) for 2018-19, Transport Canada is seeking an increase of \$17.8 million. Most of that amount, \$13.8 million, would help to complete upgrades at rural and remote airports, such as in Wabush, Newfoundland and Labrador; the Îles-de-la-Madeleine; Sandspit, Penticton, and Port Hardy, in British Columbia, as well as upgrades at the port of Gros-Cacouna, in Cacouna, Quebec.

[*English*]

Transport is also seeking to access \$1.95 million from the revenues generated by the 2018 sale of some surplus St. Lawrence Seaway properties in Niagara-on-the-Lake, Ontario. These funds would be used to contribute to the assessment or remediation of federal contaminated sites in the Transport portfolio. This assessment and remediation work is necessary to reduce the risk to Canadians' health and to our environment.

Transport Canada's request also includes \$1.3 million for the Trans Mountain expansion pipeline reconsideration. Transport Canada is participating as a technical expert on the marine shipping issues in both the National Energy Board and the indigenous consultation processes related to this proposed project.

In the interim estimates for 2019-20, Transport is seeking \$380.7 million to cover the first quarter of the new fiscal year in advance of tabling of the main estimates.

VIA Rail is seeking \$106.8 million in the supplementary estimates as well. This includes \$105.3 million of new funding for fleet renewal and \$1.5 million transferred from Transport Canada to advance due diligence work on VIA's high frequency rail proposal.

Funding for renewing VIA Rail's fleet was announced in budget 2018. The procurement process that VIA Rail ran last spring went quite quickly, and a supplier was selected in December. As a result, a procurement process was completed ahead of schedule. As a consequence of that, VIA now anticipates making payments earlier, and so some payments have been moved up to fiscal year 2018-19, which is actually good news.

Madam Chair, these are selected highlights of the requests from the organizations in Transport Canada's portfolio. I can say as deputy minister that we're fully committed to managing the Department of Transport Canada and working with the portfolio partners to ensure that the transportation system is safe, secure and environmentally sustainable and that it supports trade and economic growth.

My colleagues and I would be happy to answer questions as we proceed today.

Thank you very much.

•(1115)

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

We will move to Ms. Gillis from the Office of Infrastructure of Canada.

**Ms. Kelly Gillis (Deputy Minister, Infrastructure and Communities, Office of Infrastructure of Canada):** Good morning, and thank you for inviting me to speak before you today about Infrastructure Canada's supplementary estimates (B) and interim estimates.

To support the Government of Canada's priorities, Infrastructure Canada is seeking \$150,000 in contribution funding to support research knowledge-sharing activities in innovative projects. These projects help strengthen the evidence base around the role that infrastructure can play in addressing economic, social and environmental issues.

We are also seeking to transfer \$2.2 million from our operating vote to our capital vote to cover the development program for management tools that will support the delivery of programs under our bilateral agreements and accommodate requirements related to workplace 2.0.

We are also requesting \$1.8 billion of cash to allow for prompt payment of contributions and amounts owing to the department until June 2019.

I would like now to provide a brief update of progress under the investing in Canada plan, the plan designed to help grow the economy, build inclusive communities and support a low-carbon green economy. The plan rolled out in two phases.

[*Translation*]

Under the Investing in Canada plan, Infrastructure Canada alone has approved over 4,700 projects worth over \$18 billion. The department also continues to implement new processes to advance payments to our partners as construction takes place. The pilot project is currently underway with Nova Scotia, Saskatchewan, and Alberta.

Progress billing means that we will make payments to provinces and territories based on project progress information provided to the department. It will result in payments that better align the flow of funds to construction activities.

[*English*]

This will result in the department reimbursing costs incurred in the year, rather than waiting until the end of the project or until

provinces and territories decide to submit their claims to the department.

I would like to conclude by highlighting Infrastructure Canada's ongoing commitment to transparency and openness in the delivery of our investments.

[*Translation*]

The department is committed to regularly updating Canadians on the results of our investments. We do this in several ways: our online geomap provides information on all projects that have been announced and have a longitude and latitude component across the federal government under the Investing in Canada plan.

[*English*]

Our database tables show by department, by program, by funding base, by the number of projects approved, projects started and funds reimbursed to our partners to date.

The open data portal provides information on the progress of projects that Infrastructure Canada supported through our programs. We have posted a dashboard that tracks our progress being made on projects approved under our bilateral agreements. These tools are all updated regularly and provide Canadians with easy access to information about our investments.

Looking ahead to the new fiscal year, we will also be releasing a progress report which will contain further information on the details of the results achieved through our infrastructure investments under the plan.

[*Translation*]

We would be happy to answer any questions you may have.

[*English*]

We would be happy to answer any questions that you have.

**The Chair:** Thank you, Ms. Gillis.

We will now move to Mr. Phillips, from the Windsor-Detroit Bridge Authority.

**Mr. Bryce Phillips (Chief Executive Officer, Windsor-Detroit Bridge Authority):** Thank you, Madam Chair.

The Windsor-Detroit Bridge Authority has previously appeared before this committee, and we find it a privilege to be here to speak about the Gordie Howe International Bridge project. We last appeared in November 2018. At that time I said it was a very exciting time for the bridge authority. It continues to be so, as we work through with our stakeholders to build the community benefits plan and to finalize the design and begin construction for the Gordie Howe International Bridge project.

As you are well aware, the WDBA is responsible for the delivery of this project, and managing the project agreement with our private sector partner, Bridging North America. It is a team of Canadian, American and international firms with both local experience and international experience in developing, implementing and delivering world-class transportation infrastructure.

Over the past few months, we have continued to work on essential preparatory activities. That includes utility relocations and other early works to ensure that the properties required for this large infrastructure project are ready and turned over to our partner to do the construction.

We've also undertaken to put robust project management and governance programs in place. That includes a framework that has technical working groups and oversight mechanisms, including decision-making bodies, with criteria to develop and guide them on their decisions. That goes along with other audit mechanisms to make sure that both we and Bridging North America meet the commitments of the project agreement and deliver on that project.

We continue to benchmark. We've benchmarked three different organizations, including the bridge in Montreal. We completed a benchmarking trip this week, as a matter of fact, at MetroInx, to ensure that our staff understand the lessons learned from the different infrastructure projects around the country and the continent. We are also staffing up and recruiting the best in class to ensure that we meet our obligations and that BNA also meets its obligations.

Also, working with Bridging North America, we're consulting with the communities and stakeholders on both sides of the border to ensure that we have a comprehensive community benefits plan. Over the next few months, we'll announce the details of that plan.

We often refer to the Gordie Howe International Bridge project as a once-in-a-generation undertaking, and it literally is. The new bridge will transform the skyline. It will provide all Canadians with an efficient, seamless, redundant and integrated transportation corridor, so that you can move goods as a business from Montreal through the U.S. down to Florida with no stops. It will be an integrated project that will enhance jobs, both locally and for Canadians across the country.

The construction of the bridge is really four projects in one. It's the bridge itself, the ports of entry on both sides of the border, and then the extension out to the I-75 in the U.S. That will provide jobs not only for skilled workers—I think everybody understands there's a large opportunity for skilled workers—but what is probably not recognized are the jobs available for white-collar workers, the professionals who help develop the project, oversee the project and then once we get into operation, operate the bridge.

As I think everybody knows, Canada and the United States have one of the largest trading relationships in the world. The bridge project is essential to ensure that—

• (1120)

**The Chair:** Mr. Phillips, could you shorten your comments.

**Mr. Bryce Phillips:** I need about 30 seconds.

**The Chair:** Yes, 30 seconds is fine.

**Mr. Bryce Phillips:** Great.

We are requesting that approximately \$200 million in funding be made available for the Gordie Howe International Bridge project. That will allow us to finish the early works projects, the infrastructure relocation, and the turnover of land to our partner bridge in North America so that we can get on with the construction of the new bridge.

I welcome any questions you may have.

**The Chair:** Thank you, all, very much. We appreciate all of you being here today.

We will move on to questions.

Mr. Jeneroux.

**Mr. Matt Jeneroux:** Thank you, Madam Chair.

Thank you for being here.

I do have to begin by saying that it's very unfortunate the two ministers would not take the time to come to our committee. It's exclusively in their mandate letters to make themselves available to committee. They have again decided that they were busy for this particular day, so I guess 15 people are here to replace them.

I want to start my questions with the deputy minister of infrastructure.

I'm sure you have many dealings with SNC-Lavalin, including the Champlain Bridge and the Canada Infrastructure Bank's only project to date. I'm sure the fact that a deferred prosecution agreement was not secured is something that you, as the deputy minister of infrastructure, had some concerns about. Did you ever have a meeting or any conversations with any of your counterparts in other departments regarding SNC's case, either directly or indirectly?

• (1125)

**Ms. Kelly Gillis:** I did not.

**Mr. Matt Jeneroux:** Did anyone else in your department have a meeting or any conversations with other departments about SNC's situation?

**Ms. Kelly Gillis:** We did not.

**Mr. Matt Jeneroux:** Did you or anyone else in your department meet with SNC or representatives regarding the charges?

**Ms. Kelly Gillis:** We did not.

**The Chair:** Mr. Jeneroux, could you please make your questions relative to the supplementary estimates, which is what's before us.

**Mr. Matt Jeneroux:** Madam Chair, we actually have the Champlain Bridge people here today. If anything, these questions are incredibly relevant, based on some of the testimony we saw yesterday from Jody Wilson-Raybould herself.

**The Chair:** They are here to discuss the supplementary estimates. I would appreciate it if you would keep your questions—

**Mr. Matt Jeneroux:** The Champlain Bridge people are here. We're talking exactly about the Champlain Bridge.

**The Chair:** But we're talking about the supplementary estimates.

**Mr. Matt Jeneroux:** The supplementary estimates are also inside.... The Champlain Bridge also ties into the supplementary estimates.

**The Chair:** They are here to answer questions on the supplementary estimates, Mr. Jeneroux. If you can, please...

**Mr. Matt Jeneroux:** The Prime Minister himself applied influence to the Minister of Justice by stating the need to secure a deferred prosecution agreement to protect jobs but also because of the Quebec election and the fact that he himself was the member for Papineau, a Quebec member of Parliament. The Minister of Infrastructure is also a Quebec member of Parliament who may have had some of these same concerns.

I remind you that you're under oath—

**The Chair:** Mr. Jeneroux, my apologies, but I do need to interrupt. Your questions—

**Mr. Matt Jeneroux:** We're talking about infrastructure and the Champlain Bridge, Madam Chair.

**The Chair:** Your questions—

**Mr. Matt Jeneroux:** I haven't asked the question yet.

**The Chair:** —are unrelated to the matter that is before us, which is the supplementary estimates. Please focus your questions on that particular avenue or I will move on to someone else.

**Mrs. Kelly Block (Carlton Trail—Eagle Creek, CPC):** I have a point of order, Madam Chair.

**Mr. Matt Jeneroux:** I haven't even asked the question yet, Madam Chair.

**The Chair:** Well, you have.

**Mr. Matt Jeneroux:** You can't call it out until I've asked the question.

**The Chair:** Yes, Ms. Block.

**Mrs. Kelly Block:** On a point of order, my understanding is that the Champlain Bridge is in the supplementary estimates, because they are asking for money.

**The Chair:** Yes.

**Mrs. Kelly Block:** Then his line of questioning should be considered relevant, because they are listed in the supplementary estimates.

**The Chair:** The questions are not pertaining to the estimates. They are pertaining to a different issue. You know that.

**Mr. Matt Jeneroux:** Madam Chair, SNC is a partner within the Champlain Bridge, so I believe they're entirely relevant to this committee. I'll continue with my question, if you don't mind.

**The Chair:** Well, I'm suggesting they're not relative, so if you could please keep your questions...

**Mr. Matt Jeneroux:** Did the Minister of Infrastructure or his staff ever talk to you or anyone else in the department about SNC and the case before the courts?

**Ms. Kelly Gillis:** They did not.

**Mr. Matt Jeneroux:** Did you or your department ever prepare memos or briefings of any kind—

**The Chair:** Mr. Jeneroux, I'm sorry, I'm going to rule [*Inaudible*—*Editor*] out of order.

**Mr. Matt Jeneroux:** Madam Chair, absolutely they're not.

**The Chair:** We want to move on—

**Mr. Matt Jeneroux:** Madam Chair, in the estimates we have the Champlain Bridge. We have the Champlain Bridge here before us. SNC is—

**The Chair:** Then your questions should pertain to the dollar amount, not to what others have done. You're supposed to be asking specific questions on the supplementary estimates.

**Mr. Matt Jeneroux:** Your government is talking about jobs and SNC. I'm directly tying this right to SNC and the jobs.

**The Chair:** I'm going to go on to the next—

**Mr. Matt Jeneroux:** Madam Chair, you can't shut me down. I have three more minutes left in my line of questioning.

**The Chair:** You have two and a half.

**Mr. Matt Jeneroux:** Okay.

Did your department ever prepare memos or briefings of any kind for the minister and/or his staff on how charges could affect SNC-Lavalin and infrastructure contracts that are ongoing or in the future?

**The Chair:** Mr. Jeneroux, it's unrelated to what is before us.

**Mr. Matt Jeneroux:** It is absolutely not unrelated, Madam Chair. A major bridge in Quebec is under construction by a company that is under investigation right now. The Champlain Bridge folks are here. You don't have to protect this deputy minister. She's more than capable of answering the questions herself. The minister himself could very much be here.

**The Chair:** Mr. Jeneroux, I'm going to rule that your questioning is out of order.

**Mr. Matt Jeneroux:** How is the question out of order? Explain to me how the question is out of order, Madam Chair.

**An hon. member:** It's totally tied to the line of questioning.

**The Chair:** No, I disagree, and I'm the chair, and I'm going to rule your question out of order.

**Mr. Matt Jeneroux:** Madam Chair, I suggest that you don't shut me down. This is exactly what your government is under suspicion for. You're shutting down people right now, and to shut me down for my line of questioning—

**The Chair:** Ask your questions that have to do with the estimates, which is why we have asked people to come to the committee—

**Mr. Matt Jeneroux:** I just did, Madam Chair.

**The Chair:** Mr. Badawey.

**Mr. Vance Badawey (Niagara Centre, Lib.):** On a point of order, Madam Chair, may I suggest, if the member wants to challenge the chair, that he do so, and we can go to a vote.

Thank you, Madam Chair.

**Mr. Matt Jeneroux:** Madam Chair, I will ask my questions with regard to SNC-Lavalin that tie in to the estimates, as I have been up to this point. There's no reason why you or anyone else on this committee should have any reason to shut this committee down.

Did any other department provide you or your department with such information regarding SNC-Lavalin?

**Ms. Kelly Gillis:** We have not been involved in that case.

**The Chair:** Mr. Jeneroux, I'm sorry, but I'm going to have to cut you off. Otherwise you have 20 seconds left of your time, and if you'd like to challenge the chair, you're free to do that.

**Mr. Matt Jeneroux:** Just to reiterate in my last 20 seconds, Madam Chair, all of this exclusively ties to the estimates. I know other committees are trying to shut this down, because they don't want to talk about SNC-Lavalin, but here at this committee.... SNC-Lavalin is a major stakeholder in this country that is building a lot of infrastructure, and we need to get answers on who was involved. Was the infrastructure minister involved too? That's exactly what we're trying to get to the bottom—

• (1130)

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

We will go now to Mr. Badawey.

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

I have a question for the Department of Transport.

Mr. Keenan, you mentioned the fact that Transport Canada is seeking to access \$1.95 million from the sale of land in Niagara-on-the-Lake. Where do you expect to invest those dollars?

**Mr. Michael Keenan:** Madam Chair, as the member indicated, we are seeking to access those funds to make progress through assessments and plans to remediate contaminated sites in the Transport Canada portfolio. We unfortunately have a fairly large portfolio of contaminated sites, and so a couple of the key priorities right now would be in Yukon, for example, Watson Lake, and in the Whitehorse airport, there is soil contamination—

**Mr. Vance Badawey:** If I may, Mr. Keenan, are they not going to be invested back into Niagara?

**Mr. Michael Keenan:** Those funds are going to the broad portfolio of contaminated sites across the country.

**Mr. Vance Badawey:** It would be appreciated if, in fact, you can reinvest those Niagara dollars back into Niagara on contaminated sites in Niagara, because there are numerous federally owned contaminated sites in Niagara.

**Mr. Michael Keenan:** Okay, we'll certainly take a look at that in the context of managing the portfolio.

**Mr. Vance Badawey:** Thank you, Mr. Keenan. That is just food for thought.

My second question is for Ms. Gillis with respect to infrastructure.

Currently in my riding we have a dire situation in the city of Welland with respect to a formerly federally owned bridge, the Forks Road Bridge, which has now been shut down because of its unfortunate condition. It's in pretty rough shape.

Therefore, I have two questions for you.

The first question is: Is there emergency funding that the municipality can apply for to try to access capital to then repair this bridge and bring it back to order to be utilized by this part of the community?

My second question is: Under the investing in Canada fund, we have partners: the province as well as different municipalities. I'm aware that we can apply to that fund for dollars for projects like this and many other priorities that municipalities have to alleviate the ongoing pressure on property taxpayers and waste-water ratepayers. Therefore, the application process, which I understand was signed over a year ago.... The federal government has over \$10 billion in the province of Ontario alone to invest to alleviate these challenges to property taxpayers and waste-water ratepayers to fix projects like that in dire need. Where do we stand on that right now?

**Ms. Kelly Gillis:** I'll start with your second question, because that will work toward your first question.

You are correct. We signed the integrated bilateral agreement with Ontario just about a year ago. We have been working with officials so they understand the process, and they've been developing their own intake process to understand what the priorities for Ontario are and have been working with our new government through that process.

We are certainly looking forward to receiving projects from the Province of Ontario and are ready to review those applications once they are received.

**Mr. Vance Badawey:** On that topic, the provincial Conservatives, after a year, have yet to actually move forward with that agreement. We're into the billing season. It's right around the corner. Our runway —

**Mr. Matt Jeneroux:** Madam Chair, on a point of order, what is the relevance of that?

**Mr. Vance Badawey:** Therefore, if our runway is getting short, is there an opportunity to actually—

**Mr. Matt Jeneroux:** Point of order, Madam Chair.

**The Chair:** Excuse me, Mr. Badawey, could you just hold it for a second.

Mr. Jeneroux is raising a point of order.

**Mr. Matt Jeneroux:** Yes, it's on relevance. I don't see how that ties to the estimates.

**The Chair:** Is it pertaining to the votes that are before us?

**Mr. Vance Badawey:** It is. It's pertaining to the investing in Canada funds that Ms. Gillis mentioned earlier, with respect to the 4,700 projects.

**The Chair:** Then I believe it's in order.

**Mr. Matt Jeneroux:** With the Ontario government, though? I don't believe that's in order.



**Mr. Vance Badawey:** Madam Chair, if I may, under the investing in Canada plan, Infrastructure Canada alone has 4,700 projects.

**The Chair:** That's a [*Inaudible—Editor*]

**Mr. Vance Badawey:** With that, my expectation is that those dollars we're expecting to roll out in 2019. Are we at the point right now where we can roll those dollars out, so we can get some of these projects under way?

**Mrs. Kelly Block:** Madam Chair, I have a point of order.

**Mr. Vance Badawey:** Unfortunately, the provincial Conservatives have yet to actually allow us to do that.

**The Chair:** Mr. Badawey, Ms. Block is raising a point of order.

**Mrs. Kelly Block:** I am wondering if you would please rule on my colleague's point of order, before the floor is turned back to another colleague, to continue their line of questioning.

• (1135)

**The Chair:** Yes, I believe that it is relevant, because it's pertaining to the votes before us.

I rule that it is relevant.

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

**The Chair:** Please continue.

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

Again, Ms. Gillis, are we going to be able to roll those dollars out in time for the building season, if in fact the provincial Conservatives do not move forward with releasing their partnership with the federal government?

**Ms. Kelly Gillis:** For each integrated bilateral agreement we sign with all jurisdictions across the country, the intake processes with the provinces and territories—and some municipalities go to them—there is a prioritization process that happens. They come to us with project applications, and we try to process and approve them through our due diligence process.

In Ontario, they are going through their determination of what their intake process is with their municipalities. As soon as we do get projects, we are ready to advance them.

Regarding the question on emergency funding for the bridge, we do not have emergency funding set aside, but there is maybe the gas tax with a nearby municipality that could be an option to move forward in a more expeditious way.

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

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

Mr. Aubin.

[*Translation*]

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

I have said many times in this committee that having three or four witnesses in an hour is far too many. We have 14 with us in such a short time. Let me express my disappointment, which is even greater because of the absence of the two ministers. That being said, since I have very little time, I will get straight to my questions.

I would like to start with the representatives from VIA Rail.

The last time the Minister of Transport came to Trois-Rivières last November to talk about transportation at a symposium organized by the Union des municipalités du Québec, we were all a little disappointed, because the theme of the symposium was passenger rail transportation, and the minister gave us a speech on safety. Although it was interesting, it was simply inappropriate, given the subject matter of the symposium.

The minister answered questions from journalists by saying that studies still had to be done before approving the project to ensure that there was the appropriate client density for the project to be profitable.

Since VIA Rail is a responsible company, I imagine that you have already done similar studies or a market study clearly demonstrating the viability of the project. Do you have studies like that?

**Mr. Jacques Fauteux (Director, Government and Community Relations, VIA Rail Canada Inc.):** Thank you for your question and your interest in our high frequency rail project.

I can confirm that we continue to work on those studies jointly with our shareholder, the Government of Canada, particularly Transport Canada, to ensure the viability and fair investment of the Government of Canada in this project.

**Mr. Robert Aubin:** So the studies are the same and the work is divided between VIA Rail and the Department of Transport. There is no independent study strictly under VIA Rail. Is that correct?

**Mr. Jacques Fauteux:** In fact, we have done our work and we are also working with our counterparts at Transport Canada.

**Mr. Robert Aubin:** Yes, I can well imagine.

Let me then turn to the officials from Transport Canada.

The \$8 million is for studies. That seems like a lot of money to determine whether the client density is sufficient, since the other issues seemed to have been resolved. Correct me if I am wrong, but as we speak, about \$1.5 million of that amount has apparently been allocated.

What is happening with the rest of the money? How come it's going so slowly? What is the content of those studies? When can we expect the process to end? Will it really take another three years?

**Mr. Michael Keenan:** As my colleague from VIA Rail said, we are now working together on issues related to the high frequency rail project between Quebec City and Toronto. VIA Rail did a very good job in analyzing this project. However, the project must progress with due diligence, given the complexity of the project.

[*English*]

It's essentially a project of, depending on how you count it, \$4 billion to \$5 billion with significant construction and significant capital investment, and there is a lot—

[Translation]

**Mr. Robert Aubin:** I have to interrupt you because we are very familiar with the details, particularly with respect to Trois-Rivières. We have been following this matter for years. In our opinion, we are certainly not on a fast train.

I have another question. In supplementary estimates (B), Transport Canada requests additional funding of \$760,000 to help study VIA Rail's high frequency rail proposal. Is the \$760,000 in addition to the \$8 million or is it included in the amount? What is included in the study with the additional funding of \$760,000?

• (1140)

**Mr. Michael Keenan:** The amount of \$760,000 is for VIA Rail to study the high frequency railway.

Which line is the \$760,000 for VIA Rail on?

**Mr. Robert Aubin:** I'm sorry, but I don't have the line number.

**Mr. Michael Keenan:** We're spending the \$8 million to study the high frequency rail proposal.

**Mr. Robert Aubin:** So the \$760,000 would be included in the \$8 million?

**Mr. Michael Keenan:** Yes.

**Mr. Robert Aubin:** Okay, that's what I was asking. I wanted to know whether it was included or additional.

My next question is about fleet renewal. Siemens states that it aims to use or achieve 20% local content as part of the replacement of VIA Rail's fleet. Is that out of the goodness of their hearts or is it because part of the contract requires Canadian or local content? We are aware that the 20% is well below what many other countries do in terms of funding public projects.

**Mr. Michael Keenan:** Since VIA Rail has managed the fleet renewal project well, I invite my colleague to answer your question.

**Mr. Jacques Fauteux:** Thank you for the question. In this case, we held a competition, which is subject to international trade laws, as you know. In terms of the \$900 million or so announced at the end of last December, the President of Siemens made a commitment to invest money in Canadian content or to find 20% Canadian content. Under the circumstances, Siemens has created a website through which it invited Canadian suppliers to express their interest in participating in what the company calls a supply day. The purpose was to allow suppliers in Quebec and Ontario to interact with the company. The movement has already started. We are of course letting the folks from Siemens do that work, but we have already started to move forward with them on implementing the initiative.

In addition, I would like to add that VIA Rail is renewing its fleet quite extensively, apart from what Siemens is doing. We have invested more than \$154 million in modernizing our Heritage fleet and making it more accessible. The four suppliers who were selected and received the funding come from Quebec.

[English]

**The Chair:** I have to interrupt.

Thank you very much.

We're moving to Mr. Iacono.

[Translation]

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

My thanks to the witnesses for being here this morning.

Mr. Keenan, in your opening remarks, you mentioned the amount requested by VIA Rail in the supplementary estimates (B). Can you give us some more details about the specific features of the new trains? How do they differ from those of the current fleet?

**Mr. Michael Keenan:** I'm sorry, but I didn't hear your question properly. Is it about the fleet renewal or the high frequency rail proposal?

**Mr. Angelo Iacono:** I'm talking about the fleet renewal.

How does the renewed fleet compare to the current one?

**Mr. Michael Keenan:** In our view, the fleet renewal procurement is progressing very well.

[English]

The project has come in and is ahead of schedule. That's exactly why the amount is there. We're pulling it ahead because VIA is ready to begin the payment schedule earlier than anticipated. That positions VIA Rail, in our view, very well on two fronts. First, it gets the new fleet in place slightly ahead of schedule. Second, when the government completes the due diligence to make a decision with respect to an investment in high-frequency rail in the Quebec City-to-Toronto corridor, there is a new fleet that is ready to be a backbone of that should the government decide to proceed with that project.

Madam Chair, if you'll permit me, I made a small error in answering the previous questions about the \$760,000. It is included in the existing funds, but it's not included in the \$8 million that was provided for in budget 2018. I made a mistake. It's part of the \$3.3 million that was provided in budget 2016 to support the due diligence on the high-frequency rail project proposal of VIA Rail.

• (1145)

[Translation]

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

Ms. Gillis, I represent the riding of Alfred-Pellan in Laval, in the greater Montreal area, and the Champlain Bridge is a project that is close to our hearts.

Can you give us an update on the progress of the work and the expected opening date?

**Ms. Kelly Gillis:** To date, our partner, the Signature on the Saint Lawrence (SSL) group has not changed the deadline for opening the bridge. It is still planned for the end of June 2019. The bridge is now finished—I could walk from one end to the other—but it is not open yet. That being said, most of the major work has been completed.

During the winter, we cannot work on some features of the bridge. You need good weather conditions for some of the work, such as the [English]

weatherproofing and putting the final asphalt on. That will be done in the spring.

At this point in time, SSL continues to confirm to us that the opening of the bridge will not be later than the end of June 2019. We do have an independent engineer who looks at the schedules who has also confirmed to us that we are on track. There is nothing to make us believe that that wouldn't be the case.

[Translation]

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

Jacques Cartier and Champlain Bridges Incorporated is requesting additional funding of nearly \$15 million for deconstructing the Champlain Bridge. As I understand it, the Champlain Bridge will not be demolished.

Could you give us more information about the deconstruction process? What are the reasons for deconstruction rather than demolition?

**Ms. Sandra Martel (Interim Chief Executive Officer, The Jacques-Cartier and Champlain Bridges Inc.):** The Champlain Bridge must be deconstructed mainly because 80% of its load is the bridge itself. We know that, over time, the bridge will deteriorate. That is why it has been reinforced to accommodate traffic, but it continues to deteriorate. The reinforcement measures taken were temporary. This reinforcement work therefore has a limited lifespan.

In addition, shortly after the new bridge is commissioned, parts of the existing bridge will have to be demolished because the two bridges are very close at their ends. Demolition work will therefore have to be done to complete the new bridge.

Everything involved in maintaining the structure over the long term would cost at least \$4 to \$7 million per year, even if the bridge were unused. So an investment would still need to be made. If a beam were to fail, for example, if only because of its own weight, action would need to be taken.

That is why we made the decision to deconstruct the bridge.

**Mr. Angelo Iacono:** What is the total projected cost of the deconstruction?

**Ms. Sandra Martel:** For the whole project, including the bridge deconstruction, engineering services, lawyers and so forth, we have a budget of about \$400 million.

**Mr. Angelo Iacono:** Do you have a completion date?

[English]

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

We're moving to Mr. Sikand.

**Mr. Gagan Sikand (Mississauga—Streetsville, Lib.):** Thank you, Madam Chair.

Mr. Keenan, you mentioned the \$1.95 million to remediate federal sites.

Just to preface my question, I represent Mississauga—Streetsville and before I was elected, a railcar hopped off the rails. I don't like to say it's minor, but relative to some of the devastating crashes we've seen, it is fairly minor. What qualifies as a contaminated site?

• (1150)

**Mr. Michael Keenan:** Madam Chair, that's a great question.

A contaminated site in the Transport Canada portfolio would be lands owned within the Transport Canada portfolio and have a contamination from historic activity. Often airports have PFAS, that foam that was used in firefighting drills, and often petroleum products.

In the case where a railcar goes off and there's a rail accident and spillage of a product, it would be the responsibility of the rail carrier and the shipper to clean up and remediate the site.

**Mr. Gagan Sikand:** What are the concerns to public health in these contaminated sites?

**Mr. Michael Keenan:** The concerns vary by the contamination.

PFAS, the firefighting foam that was historically used in airports, as an example, is used in drills. It was not known at the time, but it contains compounds toxic to humans. It gets in the groundwater. We're working on remediation plans at several airports with respect to that.

**Mr. Gagan Sikand:** Okay.

Ms. Gillis, you answered my colleague's question with regard to investing. Could you speak to how detrimental it is if Doug Ford's government, or any provincial government, doesn't come to the table?

**Ms. Kelly Gillis:** The investing in Canada plan overall in investing in infrastructure is the key enabler. When we're looking at the plan itself, it has, as some people are well aware, four main streams: public transit, green, cultural and recreational, and rural and north. In each of those areas it provides opportunities for infrastructure across the country. Each province and territory is looking at their own priorities and intake process. They are a key partner with us because the provinces and territories sign the agreement and provide the projects to us. That is overall how the process works.

**Mr. Gagan Sikand:** Thank you.

Ms. Gillis, in October 2018, Infrastructure Canada decided they were going to modify terms and conditions to help with the timeliness of disbursements. Could you speak a little to that or perhaps what else you would consider modifying?

**Ms. Kelly Gillis:** Certainly.

When we're looking historically at our infrastructure investments in our legacy programs, the reimbursement processes with provinces and territories is based on when municipalities determine when to bill provinces; provinces determine when to bill us, more or less an invoice-by-invoice process. We have been working to have a more robust process, more predictability in understanding when bills are going to come, linked to the economic activity that's happening across the country.

We have a number of examples of projects that are complete or nearly complete without bills coming to be reimbursed. Last fall we had a federal-provincial-territorial meeting and discussed this overall. It's an issue for the provinces as well as for the municipalities. Everybody wants timely cash flow.

**Mr. Gagan Sikand:** That's great. Sorry to cut you off.

Before I pass over my time, I do want to thank everybody for being here. I know the good work you do transcends politics.

**The Chair:** Mr. Rogers.

**Mr. Churence Rogers (Bonavista—Burin—Trinity, Lib.):** Mr. Keenan, I'm happy to see that our government's investing in rural and remote airports across the country, and particularly, of course, in Wabush, Newfoundland and Labrador.

Marine Atlantic provides critical service to the people of Newfoundland and Labrador. They're requesting around \$38 million in these interim estimates, and we know that one of the areas of focus for Marine Atlantic is fleet renewal. Does Marine Atlantic have a fleet renewal program, and if so, what is the schedule for that renewal program?

**Mr. Michael Keenan:** As you properly indicated, the funds in the interim estimates provide the core operating budget for MAI to provide the constitutional service to Newfoundland and Labrador.

In terms of the fleet renewal plan for MAI, we're actually having an active discussion with MAI at this time. We should see greater clarity on that coming in a future corporate plan.

• (1155)

**Mr. Churence Rogers:** I'll be anxiously awaiting that update.

**The Chair:** Thank you very much, Mr. Rogers. I'm sorry, but your time is up.

Mr. Jeneroux.

**Mr. Matt Jeneroux:** Thank you, Madam Chair.

Considering that ask for \$15 million as part of these estimates in terms of the tear-down and completion of the Champlain Bridge, do you foresee any delays in the completion of the bridge because of the SNC-Lavalin affair?

**Ms. Kelly Gillis:** With regard to the construction of the Champlain Bridge, all of the information that we have is that SSL, our consortium partner, is reporting to us that it is on track to open the bridge before the end of June 2019, and we do have an independent engineer who also looks at the schedule. All of the reporting to us to date does not give us any indication that this should differ from that opening.

**Mr. Matt Jeneroux:** In the chance that it does get delayed, did your department ever prepare memos or briefings of any kind for the

minister or staff regarding this SNC-Lavalin affair and infrastructure contracts that are ongoing in the future?

**Ms. Kelly Gillis:** When we are looking at the contract for the schedule of the Champlain Bridge and looking at the scheduling of it, we're focusing very much on the schedule and how the construction is moving along, and we are having technical experts look at that and advise us on the progress of the construction. At this point in time, as the minister came out in October, talking with SSL about the delays in the construction, it is looking like we are going to be opening the bridge, based on what has been reported to us, by June 2019. All of the focus of our reporting has been on the construction schedule and how it's moving along.

**Mr. Matt Jeneroux:** I guess my specific question was whether you have prepared the minister any briefings with regard to.... A lot has changed since October with regard to the SNC-Lavalin affair and I'm curious if you have prepared for the minister any briefings on any possible delays.

**Ms. Kelly Gillis:** There have been no briefings, that I'm aware of, on possible delays, given the situation that's being reported right now about SNC-Lavalin.

**Mr. Matt Jeneroux:** Have any other departments provided you or your department with any relevant information regarding the SNC-Lavalin affair?

**Ms. Kelly Gillis:** I'm not aware of any, no.

**Mr. Matt Jeneroux:** Okay.

The Canada Infrastructure Bank has still only invested in one project to date, the REM light rail in Montreal. This project, which—surprise—SNC-Lavalin has a contract for, was announced before the bank had a CEO and conveniently the day before Philippe Couillard, the former premier of Quebec and a Liberal, launched his—

**The Chair:** Mr. Jeneroux, please keep it relevant to the supplementary estimates.

**Mr. Matt Jeneroux:** I haven't even asked my question, Madam Chair.

Was there any influence from the Office of Infrastructure of Canada on the bank to invest in this project?

**Ms. Kelly Gillis:** The decision to invest in this particular project was made in June 2017. The investing in Canada plan has four streams, and one of our most important streams is public transit—\$20 billion in the integrated bilateral agreements. That is a priority area for the government overall. There are important projects in transit going on across the country. The decision that was made in 2017 was to invest in light rail, and in that decision at that time, it was contemplated that it could be a project for the Infrastructure Bank that was in the process of being stood up. The commitment was to look at whether a new business model could go forward with this particular project. If not, traditional funding would be used.

**Mr. Matt Jeneroux:** Was there any influence, to your knowledge, from any other department on the bank—specifically the Department of Finance, which does, in fact, have the financial authority with regard to which projects are funded—to invest in the light rail in Montreal?

**Ms. Kelly Gillis:** The decision that I am aware of was announced in 2017, so it is in line with the priority of the Government of Canada to invest in public transit.

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

**Mr. Matt Jeneroux:** Madam Chair, I still have another minute left in committee.

**The Chair:** I have it as four seconds left. The clerk has a clock here, and we're following that.

• (1200)

**Mr. Matt Jeneroux:** We were promised six minutes prior to...

**The Chair:** Yes, but 12 o'clock is when this part of our committee

**Mr. Matt Jeneroux:** I'd like to move a motion to continue to hear from the witnesses, considering they've only had one hour to give testimony on a significant part of the budget.

**The Chair:** It was our intent as per our schedule to have all of the witnesses here from 11 until 12.

**Mr. Matt Jeneroux:** Madam Chair, I'd like to move a motion to extend that for another hour.

**The Chair:** Mr. Jeneroux has moved a motion asking committee members to—

**Mr. Matt Jeneroux:** Let's get a recorded vote on that, just for fun.

**The Chair:** —ask the officials to stay another hour.

(Motion negatived: nays 5; yeas 4)

**The Chair:** There's—

**Mr. Matt Jeneroux:** Madam Chair, this again shows the shutting down of committees in a way not wanting to hear from witnesses. We have 15 witnesses here today, and we've only received seven minutes of questioning time for the supplementary estimates.

Extending it an hour is hardly outside any sort of reasonable request. This again implicates not only you but the entire committee in continuing to cover up in terms of our being able to ask questions of this government and what's fast becoming a very questionable administration from the top down.

You didn't even ask if the witnesses were willing to stay for that extra hour, Madam Chair.

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

I will thank all of our witnesses for—

Mr. Iacono.

**Mr. Angelo Iacono:** I'd like to move a motion that we give them another half an hour, another round of questioning.

**The Chair:** I have to ask the witnesses if that works with schedules. It certainly doesn't work with—

**Mr. Angelo Iacono:** I think we should proceed with asking the witnesses first. If they're okay with it, then we can put it to a vote. I think that would be the logical way to do it, to not just impose it on them.

**The Chair:** Well, I didn't suggest that we were going to do that.

Mr. Badawey.

**Mr. Vance Badawey:** Madam Chair, that would be fine. I respect the comments of Mr. Jeneroux and Mr. Iacono. The concern I have is that we have a lot of committee work to do in response to the committee work that we're embarking on, which, quite frankly, was recommended by both parties on the other side of the table. But half an hour...as long as you feel, Madam Chair, that we can get through that committee work that we have on our agenda.

I just want to remind committee members that we agreed upon this time frame.

**The Chair:** Yes.

**Mr. Vance Badawey:** However, if you need more time, that's fine: another half an hour, as long as in the last half hour we can get through this agreed-upon agenda with respect to the committee work we had planned on doing.

**The Chair:** We'll try.

Mr. Liepert.

**Mr. Ron Liepert (Calgary Signal Hill, CPC):** Can we just get something clarified? If the member is referring to the study on airport noise, I think if he checked the record, he would find that it was the Liberals who brought forward that motion.

**The Chair:** Mr. Keenan, Ms. Gillis and Mr. Phillips, are any of the three of you available to stay for an additional half an hour? At this point, it would be 26 minutes.

**Mr. Michael Keenan:** Madam Chair, I think we would adjust our schedule based on the will of the committee.

**The Chair:** Okay.

Mr. Phillips?

All right. To our witnesses who can stay for an additional 26 minutes, thank you very much. We would appreciate that.

You had a minute left, then.

**Mrs. Kelly Block:** Madam Chair, there's a motion.

**The Chair:** What was your motion? I'm sorry.

**Mr. Angelo Iacono:** It was that we extend this by half an hour.

**The Chair:** Yes, and the witnesses agreed to it.

We'll vote on extending it for 26 minutes, which is what's remaining.

(Motion agreed to)

**The Chair:** All right.

Mr. Jeneroux, you have 45 seconds left on your time.

**Mr. Matt Jeneroux:** Thank you.

The last time you were here you were unable to tell the committee about the status of late penalties on the Champlain Bridge. In fact, your explanation was different from the minister's, but neither one of you really answered. Hopefully today we can actually receive a proper update.

Will the federal government be collecting the agreed-upon late penalties of \$100,000 per day for the first seven days and \$400,000 for each day after that, with a maximum of \$150 million, yes or no?

**Ms. Kelly Gillis:** We remain in commercial discussions with the Champlain Bridge on the penalties and the consequences for the contract for the delays. As soon as those discussions are complete, or the other proceedings, whether we go to court after, are known, we will continue to be transparent on that.

• (1205)

**Mr. Matt Jeneroux:** The minister says yes, though.

**Ms. Kelly Gillis:** The minister has said that there will be consequences—

**Mr. Matt Jeneroux:** Yes. His words were that absolutely there will be consequences.

**Ms. Kelly Gillis:**—and the degree of consequences is what we are in commercial discussions with right now.

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

We will move to Mr. Hardie.

**Mr. Ken Hardie (Fleetwood—Port Kells, Lib.):** Thank you very much.

I appreciate the extension of the time so that I get a chance to ask a few questions.

Mr. Keenan, I am delighted to see some airport improvements coming to coastal British Columbia and the interior. Do you have any specifics or any background information on what we're doing in Port Hardy, Sandspit and Penticton?

**Mr. Michael Keenan:** Yes, we do. I will turn it over to my assistant deputy minister of programs, Anuradha Marisetti, who is actually in charge of the program.

Would you give an update with a couple of details on those?

**Ms. Anuradha Marisetti (Assistant Deputy Minister, Programs, Department of Transport):** Sure.

On Port Hardy, some of the things they're doing with the resources are refurbishing and upgrading the equipment maintenance, the garage, to store the large, heavy equipment which, in the past, would be outside and subject to wear and tear.

At Penticton airport, most of the resources are going towards refurbishing the air terminal building.

**Mr. Ken Hardie:** That's very good. Thank you.

Ms. Gillis, when we talk about infrastructure projects, generally speaking, in the past, the pattern has been for government to roll out massive infrastructure investments when we have a recession, when there are interests in getting things built and putting people to work. The direction we're taking now is not that. We're far from a recession. We're in a very buoyant economy with employment and a lot of other things in the best shape they have been in decades.

In your view, going forward and in your dealings with the provinces, what's the value in these investments that are being made right now?

**Ms. Kelly Gillis:** When we're looking at infrastructure, infrastructure is a key enabler for the long term. The investing in Canada plan is a 10-year program to look at what are the important investments that communities need to make to ensure that they have their infrastructure as a key enabler, as an economic driver, in a way that's looking at a green infrastructure and upgrades.

It's not the short-term build, although there are often jobs and economic activity with that. The real benefit is actually the infrastructure being put to use within those communities.

If we look at transit, it is for mobility of our communities, of our urban centres; or investments in waste water, so we have safe drinking water for our communities; or investments in bridges, so that we have good mobility that allows for trade to happen.

It's the long-term opportunities that the infrastructure provides that Infrastructure Canada is looking at right now with its current programming.

**Mr. Ken Hardie:** Do you have a sense as to the amounts allocated by province?

**Ms. Kelly Gillis:** We do. If you go to our website, we have a geospatial map that you can actually click on and you can go to your province. You can go to B.C. and you can drill down into your community, and on there you will see all of the projects, not just from Infrastructure Canada.

**Mr. Ken Hardie:** I was actually just looking for the macro amount. I'd like figures, please, for B.C. and Ontario.

**Ms. Kelly Gillis:** Okay.

For B.C., since November 2015, we have 326 projects that have been approved, for a value of \$3.3 billion. That is for B.C. right now. That does not include gas tax.

**Mr. Ken Hardie:** Okay.

**Ms. Kelly Gillis:** Gas tax would be separate for that.

**Mr. Ken Hardie:** What are the figures for Ontario, and when was the last project for Ontario approved?

**Ms. Kelly Gillis:** I would have to get back to you on that particular point. I don't have that information, but I can get back to you.

• (1210)

**Mr. Ken Hardie:** Please do.

**Ms. Kelly Gillis:** For Ontario, since November 2015, we have 2,188 projects for a value of \$6.3 billion.

**Mr. Ken Hardie:** How many projects—again, can you not tell us how many projects have been approved in the last year for Ontario?

**Ms. Kelly Gillis:** In the last year, I can.

I know it's 266 nationally, but I don't have that broken out by province in my head. I will try to get that, and if I can't get it to you right now, I can certainly provide it to the chair for her to share with the committee.

**Mr. Ken Hardie:** Maybe you can just interrupt the next conversation with those numbers if you have them. It would be nice to have them here.

That's fine for me. Thank you.

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

We will go now to Ms. Block.

**Mrs. Kelly Block:** Thank you very much, Madam Chair.

I do want to thank our witnesses for joining us this morning. It's already been pointed out that an hour and a half is not enough time to hear from the many of you who took time out of your busy mornings to come and answer any questions that we have. I think it goes without saying, in follow-up to the comments of my colleague across the way, that we do value the work that you as public servants do. I do want to thank you for that and recognize that you're called here—replacing the ministers, whom committees actually would like to be able to hold accountable for the decisions that are made, because we recognize that it is their decisions that you are then tasked to follow through on. So, I would just thank you for being here.

I guess in response to some of the other questions—

**Mr. Angelo Iacono:** Chair, I'd like to make a clarification based on her comments. Her colleagues have made a similar comment with respect to the presence of the minister.

The minister has appeared 12 times at TRAN during this Parliament, for a total of 14.5 hours of testimony. This included five appearances on estimates.

I'd like to also point out that in the previous Parliament, under the Conservative government, transport ministers made a combined nine appearances at TRAN for a total of nine hours of testimony. Six of those appearances were on estimates.

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

We will go back to Ms. Block.

**Mrs. Kelly Block:** While that is very true, I would suggest that past appearances don't, I think, give the minister a pass on coming and speaking to this committee when we are tasked with the very important job of scrutinizing the current supplementary estimates and would appreciate the opportunity to ask questions of him on these supplementary estimates. I do recognize that the Minister of Transport has appeared before committee many times.

I think it goes without saying that if it weren't for the previous Liberal government and those serving them in Ontario, the current Ontario government would not be in the position it is of trying to deal with the mess that it was left with.

Having said that, I will turn to the interim estimates now. I have a question for Mr. Keenan.

In the interim estimates, Transport Canada is requesting \$3.4 million for the community participation funding program. Could you tell us if there are any safeguards in the application process to ensure that the funds given out through this program are not used for political purposes?

**Mr. Michael Keenan:** The activities in the community participation program, which is under the oceans protection plan, that would be supported and funded and that the government would contribute to would be ones directly related to marine safety and coastal ecosystem restoration. If there were a political activity, it would not be eligible under the terms and conditions of the program.

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

In response to an order paper question which I submitted, I do have a list of funding recipients of this program between November 4, 2015, and November 2018. The recipients include very political groups like the Georgia Strait Alliance and T. Buck Suzuki Environmental Foundation, and there are more.

I'm wondering, again, how Transport Canada can be sure that this money isn't being used directly or indirectly for political purposes. What sort of criteria or mechanisms do you have in place to ensure that it isn't being used for those purposes?

• (1215)

**Mr. Michael Keenan:** There are several.

The first is that, in the construction of both the terms and conditions and the results...the work and results, that is the purpose of the contribution agreement, it's very clear what it's for and what it's not for and that the recipient would need to demonstrate that they are actually executing the work that was agreed to. If they don't execute the work that was agreed to, then in terms of the administration of the contribution payment, the funds that were committed wouldn't flow because there is an agreement about what they will do.

For example, if some entity didn't perform the required activities, then in terms of the review of the contribution agreement, we wouldn't make the payment. It does sometimes happen that, for whatever reason—sometimes it's for circumstances beyond the control of the recipient—they're unable to carry out the work that was committed to.

**Mrs. Kelly Block:** I want to make sure that I understand what you've said.

Through an application for funds, they demonstrate what they intend to use the funding for. After their work has been completed, they report back to Transport Canada how those funds were spent, in order to demonstrate that they were, in fact, used for the purpose they were given.

**Mr. Michael Keenan:** Yes. I can turn to my colleagues, but that's it. It varies. The exact details of how we execute this process will vary by the recipient and by the amount, but essentially, that is at its core the process.

For any recipient, the question is the activities have been agreed to and these activities would relate back to community capacity building, in terms of marine safety or ecosystem preparations.

**Mrs. Kelly Block:** Just off hand—

**The Chair:** I'm sorry, Ms. Block. You're—

**Mrs. Kelly Block:** I just want to ask a question.

Was the time paused for Mr. Iacono's point of order?

**The Chair:** It was.

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

**The Chair:** Go ahead, Monsieur Aubin.

[*Translation*]

**Mr. Robert Aubin:** Thank you, Madam Chair. How much time do I have?

[English]

**The Chair:** You have four minutes.

[Translation]

**Mr. Robert Aubin:** I'm going to ask three questions in four minutes.

My first question is for the Transport Canada officials.

In its 2017-18 to 2021-22 Corporate Plan, CATSA states that its goal is to have all major Canadian airports participate in the CATSA Plus screening concept initiative. If all major airports were to join this program, do you have any idea of how much funding is required? Does Transport Canada think it's necessary to implement this program?

[English]

**Mr. Michael Keenan:** There are two things.

I apologize, but I don't have detailed knowledge of that program.

In our work with the large airports, we ensure that they actually deliver on the commitments they've made to us, under either a program or the lease agreements, because Transport Canada is the landlord for most of the large airports.

[Translation]

**Mr. Robert Aubin:** Mr. Keenan, given the short time we have left, could you get back to us in writing on this issue?

**Mr. Michael Keenan:** Yes.

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

My other question is for the officials from the Office of Infrastructure of Canada.

The Canada Infrastructure Bank is reported to have spent almost \$3 million on the services of 10 consultants, whose names were kept confidential. The services apparently include setting project objectives and evaluation criteria.

What's the reason for such an astronomical amount of money for consulting services? First, what were those studies? Can you tell us a little more about it? I think \$3 million for the services of 10 consultants is a huge amount.

**Ms. Kelly Gillis:** You have to know that the consultants will do complex analyses of fairly large projects, and that the work is expensive. I don't have the names of the consultants or the amounts, but we can ask our information person to forward those details to the clerk.

• (1220)

**Mr. Robert Aubin:** Thank you, I would appreciate it.

My last question is about the Office of Infrastructure of Canada or the Jacques Cartier and Champlain Bridges Corporation.

I want to talk about the Champlain Bridge that's going to be deconstructed. Was the only question that the Office of Infrastructure of Canada or the Jacques Cartier and Champlain Bridges Inc. asked whether to choose between deconstructing or blowing up the bridge to make it disappear? Have you considered making it a green infrastructure, somewhat like the High Line in New York? The aging infrastructure would be significantly less affected if there were no

longer any truck or car traffic on the bridge. Can it be turned into a green infrastructure? Has that been studied or not at all?

**Ms. Sandra Martel:** That was considered, of course.

As I explained earlier, the bridge continues to be heavily used. Trucking and vehicles contribute about 20% of the load on the bridge. The load is high and the deterioration continues. Continuing to invest in inspection, equipment and security measures generates significant costs for that type of infrastructure.

Just next to the Champlain Bridge, there is the ice control structure, which has a bicycle and pedestrian path. That path has a view of the new bridge and can be used very well. There was equipment around the bridge to meet that need and eliminate the risk of the Champlain Bridge.

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

[English]

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

We have completed the full sheet here. Do we still have some outstanding questions? I suggest that whoever has some outstanding questions try to get them on the floor.

Ms. Block, you'll have two minutes.

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

I want to follow up again on my previous line of questioning. I just want to ensure I understand that there are ways in which Transport Canada can ensure that when funding \$35,000, say, to an organization, none of those dollars is actually being used by the organization for any kind of political purpose.

**Mr. Michael Keenan:** Madam Chair, for these organizations Transport Canada develops a contribution agreement whereby the organization commits to certain activities that advance the purpose of the program—in this case, community capacity, marine safety, coastal ecosystem restoration—and the organization is obliged to carry out those activities for which we are contributing, and we contribute less than 100%.

If the organization did not carry out the activities, then in the administration of the program, we would withhold the payment.

It does happen—not often, but it does happen—that an organization doesn't carry out the activity, so the financial commitment we made when we established the grants and contributions sometimes does not end up resulting in a full payment of that amount, and sometimes ends with no payment.

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

In the estimates there's an amount of \$3.4 million. Would you say this amount is oversubscribed, or do you have any idea how many organizations are actually applying for the community participation funding program?

**Mr. Michael Keenan:** I cannot predict exactly how many organizations will end up applying and be recipients going forward, but based on the trends and to date we have seen heavy subscription to this program.



The reason we have seen it is that there has been a significant effort in developing partnerships with coastal indigenous groups on these two issues. They've responded fairly positively and energetically and want to partner in these areas.

For example, on the north coast of B.C., we have a framework agreement with 14 indigenous groups, and we're partnering in many activities that Transport Canada or Fisheries and Oceans would normally just carry out themselves. As a result, there's a fairly heavy subscription for these participation resources.

• (1225)

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

We will move to Mr. Iacono.

[*Translation*]

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

Ms. Martel, I would like to come back to the questions asked about the Champlain Bridge. When will the deconstruction begin? Is it once the new Champlain Bridge is open?

**Ms. Sandra Martel:** Yes.

**Mr. Angelo Iacono:** Is deconstruction the preferred option because it will then be possible to recycle all the materials?

**Ms. Sandra Martel:** Yes.

**Mr. Angelo Iacono:** Do you have any idea how much money can be recovered?

**Ms. Sandra Martel:** What was your first question?

**Mr. Angelo Iacono:** When will the deconstruction begin?

**Ms. Sandra Martel:** The process is underway. We will issue a call for tenders in March. After that process, we should be able to award a contract by the end of January or early February of next year.

Bidders will have to design methods and initiate the process from that point on. Their contract and project will start in February next year. We will allow them to spread their project over a three-year period.

In preparing the project, we do take into account the recycling of materials. We are trying to reuse materials, if possible. We are listening to the market to find places where those materials can be reused and recycled. We are looking at everything related to the environment and sustainable development to find compensation sites and improve the surroundings. We are examining all those factors.

**Mr. Angelo Iacono:** That's fine, thank you.

[*English*]

**The Chair:** Mr. Badawey, do you have a short question?

**Mr. Vance Badawey:** It's a quick question. I want to get back to the question I was asking Ms. Gillis earlier.

If, in fact, the Province of Ontario doesn't come on board with respect to their expected partnership within the investing in Canada fund, are there any plans for the federal government to still move forward with the fund, minus the provincial government, so that we can get some projects out the door for the municipalities?

**Ms. Kelly Gillis:** I am not aware of such a plan.

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

**The Chair:** To our witnesses—

**Mr. Matt Jeneroux:** Madam Chair, just before we conclude—I think we have an extra minute—I have a point of clarification.

We certainly wouldn't want to be offside with you, Madam Chair, but a number of my questions were ruled out of order before I even asked them. I would like clarification as why they were ruled out of order. A number of them were directly tied to the proponent who is building the Champlain Bridge. There's a \$15-million request for that bridge directly in these estimates.

I'm hoping you can clarify that, please.

**The Chair:** The questions need to be pertaining to the supplementary estimates and the votes specifically in front of us. That is my understanding from the clerk. That is the reason I made that decision.

**Mr. Matt Jeneroux:** Madam Chair, I'm asking, though, why those particular ones weren't considered to be within the proper line of questioning.

**The Chair:** It was my discretion to be able to make that judgment. I felt that they were not pertaining to what was before us: the supplementary estimates and specifically, votes 1(b), 5(b), 10(b) and 15(b), as well as vote 1(b) under The Jacques-Cartier and Champlain Bridges Inc.

Thank you.

**Mr. Matt Jeneroux:** You've provided some leeway in the past, Madam Chair, and there were two questions, on the definition of contaminated sites and public health concerns, raised by one of the colleagues opposite, which weren't ruled out of order.

**The Chair:** They were pertaining specifically to the estimates.

Mr. Jeneroux, in view of the time, I'm going thank all of our witnesses so much for being here this morning.

We're going to suspend, so that you can all exit, and we can continue our work in camera.

[*Proceedings continue in camera*]





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