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Chair: Mr. John Williamson



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• (1115)

[*English*]

The Chair (Mr. John Williamson (New Brunswick Southwest, CPC)): I call this meeting to order.

Welcome to meeting number 26 of the House of Commons Standing Committee on Public Accounts. Pursuant to Standing Order 108(3)(g), the committee is meeting today to undertake a follow-up study on “Report 9: Investing in Canada Plan” of the 2021 reports of the Auditor General of Canada.

Today's meeting is taking place in a hybrid format, pursuant to the House order of November 25, 2021. Members are attending in person in the room and we have many witnesses joining us remotely using the Zoom application.

[*Translation*]

Pursuant to the directive of the Board of Internal Economy of March 10, 2022, all those attending the meeting in person must wear a mask, except for members when they are seated during parliamentary proceedings.

To ensure an orderly meeting, I would like to outline a few rules for witnesses and members to follow.

Before speaking, please wait until I recognize you by name. If you are participating by video conference, click on the microphone to unmute yourself and please keep your microphone muted when you are not speaking.

[*English*]

For interpretation for those on Zoom, you have the choice at the bottom of your screen of the floor, English or French. For those in the room, of course, you can use the earpiece and select the desired channel.

I'll remind you that all comments should be addressed through the chair.

[*Translation*]

Members in the room who wish to speak must raise their hand. Members participating via Zoom must use the “raise hand” function. The committee clerk and I will do our best to maintain a consolidated order of speaking. Thank you for your patience and understanding.

[*English*]

In accordance with our routine motion, I'm informing the committee that all witnesses have completed the required connection test in advance of the meeting.

I'd now like to welcome our guests. I have a full screen in front of me. Thank you for joining us today. Thank you for your patience as we work through some of the technical issues.

From the Office of the Auditor General, we have Karen Hogan, Auditor General of Canada, and Gabriel Lombardi, director. From Canada Mortgage and Housing Corporation, we have Romy Bowers, president and chief executive officer, and Nadine Leblanc, senior vice president, policy. From the Department of Indigenous Services, we have Christiane Fox, deputy minister, joining us again, as well as Rory O'Connor, the director general. From Infrastructure Canada, we have Kelly Gillis, deputy minister; Gerard Peets, assistant deputy minister; and Sean Keenan, director general. From the Privy Council Office, we have Laurie Goldmann, director of operations; and from the Treasury Board Secretariat, Ritu Banerjee, executive director, results division, expenditure management sector.

I'm going to pose this to the committee. I know there have been some informal discussions. In the interest of time, is there agreement that we will hear from Ms. Hogan and Ms. Gillis—they will read their statements—and we will have the statements of Ms. Fox and Ms. Bowers taken as read and appended to the evidence for this committee hearing? This will save us 10 minutes.

Ms. Bowers, you have your hand up. Do you have something you'd like to state at this moment?

Ms. Romy Bowers (President and Chief Executive Officer, Canada Mortgage and Housing Corporation): Yes, I'm sorry. I'm having problems hearing. I don't know if it's just me, but there's a lot of static on the lines. I'm not able to hear you very well.

The Chair: I'll say a few more words. I'm just going to check to make sure everyone's microphones are off. They are, with the exception of mine.

I was just told by the technician that this will be corrected.

In the meantime, could I just ask if it is the will of this room that we have taken as read the statements from Ms. Fox and Ms. Bowers? Is there any objection to that?

Yes, Mr. Dong.

Mr. Han Dong (Don Valley North, Lib.): I don't know if this had been discussed earlier, but I kind of want to hear them out, if that's okay with my colleagues.

The Chair: It had been discussed informally. It does not need unanimous consent. I'm at the mercy of the committee. If there's strong desire, we'll have a discussion.

Mr. Han Dong: It's okay.

The Chair: I appreciate it, Mr. Dong.

I've also been using this time to continue talking, so we'll see if Ms. Bowers' audio is any better. Could you give me an indication, Ms. Bowers? Things are good.

Let us turn to Canada's Auditor General, Ms. Hogan.

You have the floor for five minutes. It's nice to see you again.

• (1120)

[*Translation*]

Ms. Karen Hogan (Auditor General of Canada, Office of the Auditor General): Thank you, Mr. Chair.

I thank the committee for this opportunity to discuss the investing in Canada plan.

I would like to acknowledge that this hearing is taking place on the traditional unceded territory of the Algonquin Anishinaabe people.

Joining me today is Gabriel Lombardi, the director who was responsible for the audit.

I am pleased to see that the committee is revisiting this report. Please note that we have not conducted any new audit work on this topic since we presented our report to Parliament in March 2021.

The investing in Canada plan is a large collection of new and existing programs that commits \$188 billion in public funds towards addressing long-term economic, environmental, and social challenges for Canadians.

Our audit focused on three federal organizations. However, 20 federal departments, agencies, and Crown corporations are responsible for supporting Infrastructure Canada in implementing the investing in Canada plan. Clear and meaningful reporting is important to demonstrate the results that all of these organizations are achieving.

[*English*]

We found that Infrastructure Canada, as the lead department for the plan, provided only a partial picture of progress toward the plan's objectives and expected results. The department did not report on pre-existing programs against expected results. In our report, we refer to these pre-existing programs as legacy programs. These legacy programs amounted to almost half of the plan's funding.

We also found that funds were not being spent as quickly as expected and, as a result, federal partner organizations moved planned spending each year to later years. No one was tracking the impact of delayed spending on the plan as a whole, which means that the plan's objectives may not be met.

Following the tabling of our report, Infrastructure Canada presented the committee with a detailed action plan to address our rec-

ommendations. The milestone dates in the plan have now passed, and the committee may wish to ask the department how it has improved monitoring, tracking and reporting on the plan's progress.

Mr. Chair, this concludes my opening remarks. We would be pleased to answer any questions the committee may have.

Thank you.

The Chair: Thank you very much, Ms. Hogan.

I'll now turn to Kelly Gillis from Infrastructure Canada, who has the floor for five minutes. It's over to you.

Ms. Kelly Gillis (Deputy Minister, Office of Infrastructure of Canada): Good morning.

I'd like to begin by acknowledging that I'm coming to you from Ottawa, the traditional unceded territory of the Algonquin Anishinaabe people.

[*Translation*]

I am pleased to have this opportunity to provide you with an update on the steps we have taken in response to the findings of the Auditor General's report on the investing in Canada plan.

[*English*]

I am joined by a number of colleagues from departments, as well as Infrastructure Canada. The chair has already gone through the list of names, so in the interest of saving time, I will not introduce all of those parties.

We thank the Auditor General and her staff for the examination of the government's 12-year, \$188-billion investing in Canada plan. Infrastructure Canada has developed and completed a comprehensive management action plan in response to the Auditor General's recommendations, which I will speak to shortly.

The investing in Canada plan was introduced in budget 2016 and budget 2017. The plan is a cross-government effort to deliver infrastructure projects to communities across Canada. Infrastructure Canada has a dual role in the investing in Canada plan. The first of these is to deliver infrastructure funding. Infrastructure Canada is one of 21 departments and agencies responsible for administering more than 90 programs included in the plan.

In our second role, Infrastructure Canada acts as a central reporting hub for plan-wide data. While each of the 21 departments and agencies that report in the plan are accountable for the management of their programs, Infrastructure Canada provides rolled-up data on progress all in one place.

As of March of this year, over \$119 billion of the plan's proposed \$188 billion—nearly two-thirds of the plan's funding—has been allocated to over 77,000 projects, with \$67 billion having been paid out.

[*Translation*]

The Auditor General's report published in 2021 provided an opportunity for us to reflect on the investing in Canada plan. The Government of Canada accepted the Auditor General's recommendation. In response to the report, we have worked with delivery partners to strengthen reporting on the plan's objectives, investments and results, including the implementation of a management action plan.

We have adjusted our reporting processes by providing interim updates throughout the life cycle of the plan, rather than waiting until the plan's end to show results.

• (1125)

[*English*]

We have also worked to improve reporting on contributions of legacy programs towards the plan's objectives. All 24 of the plan's legacy programs, those that existed prior to the creation of the plan, are now reported in the horizontal initiatives table that is available online. We have also improved the horizontal initiative table and made it easier to understand, more accessible and user friendly.

Going forward, Infrastructure Canada will continue reporting on the plan's overall results, providing an accounting of the full plan, and partner departments will provide program-specific reporting.

As a result of these improvements, we are providing Canadians with consistent, comprehensive and coherent information about how we're delivering results across the country.

[*Translation*]

We appreciate the recommendation of the Auditor General. We will continue to look for more opportunities to improve our reporting, in collaboration with our partners.

[*English*]

I'm happy to discuss this with you or answer any of your questions. Thank you.

The Chair: Thank you very much.

Mr. Peter Fragiskatos (London North Centre, Lib.): Mr. Chair, I have a point of order.

I misunderstood when Mr. Dong put the point forward that we ought to hear from Deputy Minister Fox and Ms. Bowers from the CMHC. I thought that you said that could go ahead. I also held the view that I think the committee would benefit from hearing from both.

I ask you if we could revisit that. I think it would only take a few minutes. Since you are, as you eloquently put it, a servant of the committee, that is the request that I have.

The Chair: Yes, but my servitude goes only so far.

Mr. Peter Fragiskatos: That is the request I humbly make of you.

The Chair: As in the chamber, we had already moved on it, so that will require unanimous consent.

We're already over, which is a point in your favour, because the time we've lost gives us very little time to do the committee business at the end.

I will look for the will of the room on this.

We can hear from the two witnesses. It's going to squeeze us at the end for committee business, but we've already lost 20 minutes anyway. There's only so far we're going to get.

Go ahead, Mr. Duncan.

Mr. Eric Duncan (Stormont—Dundas—South Glengarry, CPC): Thank you, Mr. Chair.

We've had conversations off-line in an effort to go into committee business to try to finalize our in camera discussions on the public accounts report. We have the written statements provided to our office that we've had the chance to read. The effort was a good faith effort to have the wording from the witnesses.

Maybe we can have an extra round or two to ask questions before going in camera to try to resolve the public accounts report before Parliament rises at some point in the next week and a half.

I'd rather get to questions. We have the introductions, but here we are 20 minutes behind and talking. We probably could have already gotten the third one done by now. That was the background on it.

The Chair: I'd like to address that before I turn things back to others.

Unless it's the will of this room, we will not automatically be adding more rounds. We have scheduled two rounds.

It sounds like you're opposing this—which requires unanimous consent—but you can't then add more rounds at the back end.

I see two of your colleagues. I'm not sure who was first.

Go ahead, Ms. Shanahan.

Mrs. Brenda Shanahan (Châteauguay—Lacolle, Lib.): Thank you so much. What a gentleman.

Mr. Chair, in the interest of time, we could hear the statements from the remaining witnesses, because we know we want to save that time for committee business at the end. That's all I wanted to say.

The Chair: Are you endorsing the view to hear from them?

Mrs. Brenda Shanahan: I am in favour of hearing the statements to get them on the record.

The Chair: All right.

• (1130)

Mr. Eric Duncan: [*Inaudible—Editor*]

The Chair: Very good. There is agreement.

I am afraid I'm going to give our two witnesses a little bit of time to prepare themselves, as in seconds.

Ms. Bowers, I hope you're ready. I hope you did not throw your notes aside, as I tend to do when I'm done.

If you're ready to proceed, I'll ask you to begin your remarks. You have five minutes. Is that acceptable to you?

Thank you very much.

Ms. Romy Bowers: I'm very pleased to report on the Canada Mortgage and Housing Corporation's progress with Infrastructure Canada to respond to the Auditor General's report.

CMHC is responsible for \$32.8 billion of government investment in various programs over 12 years under the investing in Canada plan. Of these allocated funds, over \$13 billion has been spent so far. This represents more than 23,000 approved projects, with over 16,000 of them already completed.

[*Translation*]

We have taken many steps to improve the transparency and clarity of reporting on the housing-related elements of the plan.

We have also collaborated with Infrastructure Canada to streamline and simplify the expected-results statements so that they line up more clearly with the investment streams and relate more directly to actual outcomes.

As a result, CMHC now falls under Expected Result 4: "Social infrastructure in Canadian communities is improved."

CMHC was contributing to this result well before the introduction of our national housing strategy in 2017, and before the development of the investing in Canada plan. We are happy to report that our older programs are now included in our reporting for the plan.

[*English*]

CMHC is committed to being an open and client-focused organization that the people of this country can trust. Beyond the reporting done under the investing in Canada plan, each quarter we report on the progress of our national housing strategy initiatives, many of which are also included in the plan.

This progress is reported on our Place to Call Home website. It includes the funding amount for each initiative, its target in terms of housing units or other benefits, the funding committed and the results achieved. The site also offers stories of individuals who have been helped by our programming. These are people like Lianne Leger, a recent university graduate who was able to make a home for herself in Whitehorse, thanks to the first-time homebuyer initiative, and Canadian Forces veteran Bill Beaton, who went from being homeless to living in Veterans' House, a supportive housing facility constructed with funding from our national housing co-investment fund.

These results depend, in large part, on our working relationships with the provinces and territories, with whom we have collaborated to commit more than 13,000 new units and 160,000 repaired units, as well as with developers and others in the housing sector. We are also putting greater effort into improving our application processes and other elements of the client experience.

Ultimately, these efforts toward collaboration and the transparency and usability of our programs are all in the service of our real goal: to give more Canadians a place to call home.

Again, I thank the Auditor General's office for their guidance in helping us improve the transparency and clarity of our reporting.

I thank you for the opportunity to speak on this matter, Mr. Chair. I'm very happy to take any questions from committee members.

The Chair: Thank you very much.

I'm turning now to Ms. Fox.

You have the floor for five minutes as well. It's nice to see you again.

Ms. Christiane Fox (Deputy Minister, Department of Indigenous Services): Thank you, Mr. Chair.

Kwe kwe. Ullukkut. Tansi. Hello.

[*Translation*]

Before I begin, I would like to acknowledge that I am speaking from the traditional and unceded territory of the Algonquin Anishinaabeg people.

I will be providing an update to the committee on how Indigenous Services Canada, or ISC, has contributed to the action plan to address the Auditor General of Canada's recommendations in Report 9—Investing in Canada Plan.

Since 2016, ISC has committed over \$6.6 billion in targeted infrastructure funding until 2027-28 under the investing in Canada plan, or IICP. As of December 31, 2021, ISC had invested \$3.92 billion to this end. These investments represent 59% of the ISC commitment under the IICP and 5,271 projects.

● (1135)

[*English*]

Infrastructure investments under the plan help address first nations' needs. Funding delivered by ISC under the investing in Canada plan represents only a portion of ISC's overall targeted infrastructure funding of over \$17 billion since 2016.

Projects and investments under the investing in Canada plan are part of this larger picture, which has invested towards 7,000 projects, of which over 4,400 are complete. This includes housing; health-related infrastructure; foundational infrastructure, such as like roads and bridges; broadband connectivity; cultural and recreational facilities on reserves; and of course, as we talked about earlier this week, water and waste-water infrastructure. Improvements are being made in communities across the country.

I'll quickly go over the three main actions identified in the management action plan that was submitted by Infrastructure Canada and how we have contributed to those actions. We agree with the findings and recommendations of the Auditor General that steps needed to be taken to improve the monitoring, the tracking and the reporting.

The first action relates to reviewing measures for progress on the plan's outcomes and objectives. We're working with other departments to support that horizontal initiative that links our priorities and our results frameworks while still meeting the priorities and objectives of the investing in Canada plan. Overall, investments in infrastructure will help bridge the infrastructure gap that exists between first nations and the rest of Canada and, hopefully, have a positive impact on all members of the community.

The second action concerns legacy programs. To offer a bit of background and context in terms of ISC, the funding under the IICP includes approximately \$14.6 billion over 12 years in legacy funding. This funding for programs is not really specific to specific projects. It's very much used as an A-base for infrastructure. The funds are distributed to communities so that they can do minor capital, O and M, and salary stuff. Therefore, we felt that, at the community level, paying things like utility bills and other types of initiatives was very complex to report on.

We've committed to providing program-level reporting on legacy programs, but the department doesn't really want to increase the reporting burden on first nations unnecessarily.

[Translation]

The third and final action identified in the management action plan concerns improving public reporting so that is consistent, comprehensive and easy to understand.

ISC currently reports project-level data on all investments. We have updated our project map to increase the transparency of our approach.

We also made sure that reporting requirements, methodology and program delivery reflect the evolving relationship between the Government of Canada and first nations. We are really committed and fully invested in this work.

I will be happy to answer your questions.

[English]

Thank you.

The Chair: Thank you very much.

We'll now begin with our first round of questions.

I will turn now to Mr. Scheer, who's joining us virtually.

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

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

Thanks to our witnesses for their opening comments and for being available to the committee.

I want to ask Ms. Gillis a question about the recommendation in the Auditor General's report that better monitoring and tracking would be implemented for project delays. At the time the report from the Auditor General was presented, it was highlighted that there were significant delays across the program delivery and that there was no tracking of the effects of those delays.

I want to know if the department counts how long it takes for a project to be approved from the time it hits the minister's desk. Does the department capture that data? When the clock starts ticking, once the municipal and provincial levels have approved a project and submitted it to the government, does the department track how long it takes for a decision to be made on those applications?

• (1140)

Ms. Kelly Gillis: Thank you, Mr. Chair, for the question.

I will speak to Infrastructure Canada's delivery of programs and project service standards.

As mentioned previously, within the overall investing in Canada plan, there are 21 departments and 90 different programs. Infrastructure Canada is responsible for executing and delivering on a subset. Therefore, I'll talk about our service standards.

In one of the main programs, the investing in Canada infrastructure program, a \$33-billion program that has integrated bilateral agreements with each province and territory, we do track, from the time we receive the information, each stage of where it is at, whether it's being reviewed for completeness, whether it's been returned to the province for further information, whether it is going through a due diligence or whether it is being reviewed for a recommendation. That information is available on our website. You can see, by project, what is with us at every stage until a decision is made, so yes, we do track it.

Hon. Andrew Scheer: How long has the department been providing that kind of tracking service? Is that since the Auditor General's report or does that predate the Auditor General's report?

Ms. Kelly Gillis: That predated the Auditor General's report.

Hon. Andrew Scheer: In terms of tracking the effects of delays, what's the progress been for the department to start to include measures to capture that impact?

Ms. Kelly Gillis: One of the key elements of what the Auditor General talked about is the flow of funds and the profiles.

On our website at this juncture, within the horizontal initiatives table that I mentioned in my opening remarks, we have different sections that are easier to find. There is a table specifically that talks about the flow of funds and the overall tracking of the cumulative reimbursements, as well as the expected reimbursements for this year.

Now we have a tool where we can track specifically how the funds are planned to be spent, as well as what is actually happening. You can see that particular table there now, which is very easy to find. It's right on our website.

Hon. Andrew Scheer: Thank you very much.

I have a question for the representative from CMHC.

I believe you mentioned in your opening comments that CMHC manages approximately \$32 billion in funds. Am I correct in that number?

Ms. Romy Bowers: Yes, that is correct.

Hon. Andrew Scheer: Does that funding to CMHC come from the consolidated revenue fund?

Ms. Romy Bowers: Yes, it does.

Hon. Andrew Scheer: In terms of allocating funding for housing projects from CMHC, what is the ratio between funding that's delivered from the consolidated revenue fund from the government versus funds that you collect from mortgage holders who are paying CMHC premiums?

Ms. Romy Bowers: In the context of the discussion that we're having today, everything refers to the government programs, not to our commercial operation.

Hon. Andrew Scheer: Thanks very much.

I have a quick question for Ms. Fox.

You mentioned that some of the legacy program funding was being used to pay for things like utility bills. That left me with the impression that a program that was designed to build infrastructure is being used to perhaps pay ongoing operating costs.

Is that the case with some of the legacy program funding?

Ms. Christiane Fox: Thank you very much for the question.

There is \$17 billion in the department's infrastructure funding that goes directly to capital projects. The legacy funding, which is over 12 years, is at \$14 billion. It's part of our A-base. It is used for minor capital, and it is also used for maintaining existing capital and other O and M requirements for our communities.

Hon. Andrew Scheer: Were those original legacy programs designed to allow for funding for...?

When people think of infrastructure projects they think of infrastructure funding. I certainly didn't expect that funding intended to be used to upgrade facilities—to improve access to clean water or waste water—would be used to pay for things like utility bills or operating costs.

The Chair: Pardon me, Ms. Fox, would you just move your microphone up a little bit? That looks better.

Thank you. Please proceed. You have 30 seconds remaining.

• (1145)

Ms. Christiane Fox: Thank you very much, Mr. Chair.

When we look at infrastructure, it's important that the department factors in not just the builds themselves, because it's important the ongoing monitoring, whether it's water, housing, education or health, does have the appropriate levels of funding in order for

those infrastructure capital investments to be maintained over time. They really are used to support community-level investments, and it is part of the funding profile to ensure both capital as well as O and M.

The Chair: I'm afraid that's the time.

Mr. Scheer, you have time for a 10-second comment, but not a reply.

Hon. Andrew Scheer: In the interest of the committee's time, I'll cede my time.

The Chair: Thank you very much. I appreciate that.

Turning now to Mr. Dong, you have the floor for six minutes, please.

Mr. Han Dong: Thank you very much, Chair.

I want to thank all the witnesses for coming today.

My questions will start with Deputy Minister Gillis.

Can you tell the committee approximately how much additional funding has been allocated to the investing in Canada plan since the last time you appeared at the committee? What is the total for the IICP?

Ms. Kelly Gillis: Thank you for the question, Mr. Chair.

There has been no additional money allocated to the plan. The plan has remained overall at \$188 billion, and that is what we're tracking for the investing in Canada plan. There has been, in a number of departments, investments in infrastructure post the plan, post-budget 2017, that are not included as part of the investing in Canada plan that was originally created in budget 2016.

Examples of projects or programs that are new within Infrastructure Canada would be, for example, our zero-emission bus program, which is \$2.75 billion, or our natural infrastructure program of \$200 million. As my colleague Christiane Fox also mentioned, in Indigenous Services Canada there have been new investments in infrastructure overall, but that is not part of the investing in Canada plan.

Mr. Han Dong: Thank you. Can you tell us how this infrastructure initiative compares to other countries' infrastructure action plans, especially now, during the economic recovery, when a lot of people are paying attention to infrastructure projects?

Ms. Kelly Gillis: Thank you for the question, Chair.

I think globally infrastructure.... I'm sorry. I'm getting echoes in my mike right now. I don't know if it's just me.

The Chair: I'll just do a quick pause here. I've stopped the clock, Mr. Dong.

Ms. Gillis, is that any better, or are you hearing the echo when you speak? Why don't you talk to me for a few seconds?

Ms. Kelly Gillis: I'm sorry about this. I was just hearing echoes for a second, but now I do not hear them. I think it is okay.

The Chair: I'll resume the clock. It's over to you, please.

Ms. Kelly Gillis: Thank you.

Infrastructure investments globally right now are very important as part of economic recovery, but also as we look at the standard of living of populations. The United States has put together quite an ambitious infrastructure plan. If we look at the U.K., Australia, we see that very important investments are also taking place. When we look at ourselves, we see that we have important investments taking place.

Other organizations.... We're looking at that as a national infrastructure assessment. In the consultation that we launched last year is an evidence base of looking at a long-term infrastructure plan going out to 2050. Other countries have taken similar types of initiatives like the U.K., Australia and New Zealand.

We always are comparing with how others are doing and the types of infrastructure investments that they're making. We're quite comparable within the types of infrastructure, like public transit, roads or bridges. From that perspective, I think we're very sophisticated and advanced in the types of infrastructure that we need as a society.

• (1150)

Mr. Han Dong: Going through the report, I see a lot of mention of a horizontal initiative tool.

Can you give a brief overview on the structure and the content of this tool?

Ms. Kelly Gillis: Thank you for the question.

The horizontal initiative tool is a template that Treasury Board Secretariat prescribes for horizontal initiatives such as this, where a number of departments are all contributing to certain outcomes. This particular tool, which is available on our website through our transparency, is populated and published twice a year—at the beginning of the year where we showcase what we expect to achieve, and at the end of the year, looking at the actual results against those achievements.

As part of the response to the Auditor General, we've worked with our partner departments to look at what was included in that particular report. We've included our legacy programs. The 24 legacy programs that the Auditor General mentioned are now included in that particular horizontal table. It also lists all 90 programs that are part of the plan and has performance indicators, targets and dates of completion.

As part of that response to the Auditor General, we've reviewed all of the indicators and ensured that there are targets for every particular program. As well, we've looked at the tool and made sure it's user friendly and not hard to find information. Because there was a lot of information in a certain way, we segmented it into eight different sections. You can easily find information, like the report I talked about with Mr. Scheer on the flow of funds. There's an expected outcomes table. You can search for the information easily and find what we expect to achieve on the plan in a particular year, as well as some of the cumulative information.

Mr. Han Dong: I know the plan includes working with provincial, territorial and municipal governments as well as indigenous

communities. What role does this tool that you just described have in streamlining communications among these partners?

Ms. Kelly Gillis: This particular horizontal table provides in one place an overview of all of the 21 departments' 90 programs and the indicators for each of the programs. It also provides links directly to the departments and more information regarding those particular programs.

If you look at the relationships with provinces and territories, that depends on the particular program. If it's allocation-based, such as.... We have a particular program—the \$33-billion program I talked about with Mr. Scheer—that has bilateral agreements with each province and territory. That is working with the provinces and territories to deliver infrastructure investments and make a difference within those jurisdictions. Those are important relationships and partnerships to be able to cost-share the investments and prioritize what types of infrastructure projects would move forward.

The Chair: Thank you very much. I'm afraid you gobbled up Mr. Scheer's extra few seconds there.

[*Translation*]

I now give the floor to Mr. Therrien for six minutes.

Mr. Alain Therrien (La Prairie, BQ): Thank you very much, Mr. Chair.

I would like to greet the witnesses who came to do us the honour of sharing their thoughts with us.

I would also like to greet my colleagues, whom I do not see very often.

I'm very happy to be with all of you today.

Mr. Chair, I would begin my remarks with the tabling of two motions. I will read the motions and then, if I may, I will explain very briefly why I consider that they should be tabled and endorsed by the committee, so that they can take effect as soon as possible.

I will read the motions slowly, to give the interpreters a chance to do their job. We're very fond of our interpreters; we need to take care of them.

Here is the first motion:

That the committee mandates—

[*English*]

Mr. Han Dong: I'm sorry. I'm a little confused here. Are we still in the rounds of questions, or are we...?

The Chair: We are. This is Mr. Therrien's first opportunity to table the motion, so it doesn't disrupt the committee business.

Mr. Han Dong: Out of respect for the witnesses, can you explain to them what's happening right now?

The Chair: Sure. I'll be very quick, because I want to get through this quickly.

One of the opposition members is now tabling two motions. He's going to be given time to read these motions and speak to them briefly. They will not be debated or considered today. He is merely presenting them.

Thank you.

• (1155)

Mr. Han Dong: Okay.

[*Translation*]

The Chair: You have the floor, Mr. Therrien.

Mr. Alain Therrien: I will begin reading the first motion again:

That the committee mandates the Chair to send a letter to the Auditor General of Canada strongly recommending she investigate the expenses and costs incurred by the Governor General of Canada, from public funds, in her capacity as Canada's representative at home and abroad since her appointment on July 6, 2021.

That is the first motion.

If I may, Mr. Chair, I will table the second one and then I will give my reasons for tabling these two motions.

Here is the second motion:

That, pursuant to Standing Order 108(2), the committee undertakes a study of the expenditure of nearly \$100,000 in public funds by the Governor General of Canada for catering services during an eight-day tour of the Middle East in March 2022; and that the committee invites the Governor General to appear before the committee for a period of two (2) hours on or before June 23, 2022.

The Chair: Thank you very much.

You can present your motions, but you can't debate them right away unless you get unanimous consent. Usually there is a 48-hour time limit.

Mr. Alain Therrien: So you are telling me that I cannot briefly explain the motions. Yet I can do whatever I want with my six minutes. Can I not comment on my motions? It seems to me that this is the rule.

[*English*]

The Chair: I am told he can use his time to speak to this. However, this is not a debate. He can only ask for unanimous consent to continue debate.

[*Translation*]

You have the floor, Mr. Therrien.

Mr. Alain Therrien: Thank you, Mr. Chair.

First of all, the facts were made public thanks to the question on the order paper asked by the Conservative member for Leeds-Grenville-Thousand Islands and Rideau Lakes, who wanted to know the details of the use of the Airbus CC-150 Polarix aircraft since December 1, 2021.

We received the documents on June 13 and discovered, quite astoundingly, that Governor General Mary Simon had spent \$93,117.89 in nine days during her trip to the Middle East. In fact, almost \$100,000 was spent on catering for 30 people, including the Governor General, on a plane. That is incredible.

It raises a lot of questions. Where did this astronomical amount come from? Who are the Governor General's 29 guests? We know that when the Governor General goes abroad, it is not to do ex-

remely intensive work; rather, she is making an appearance. We want to know who made the decision about these expenses. Also, the Governor General said that it was not her, but the Department of National Defence that picked up the tab so that she could have access to this catering, whose cost was astronomical. Personally, I would love to hear from our Governor General why she has no say in the expenses she incurs.

In fact, whether the funds come from the Department of National Defence budget or the Governor General's budget, it is the taxpayers of Quebec and Canada who have to foot the bill. These people work very hard and pay astronomical amounts for the public service. Therefore, I think we should be respectful of them and ask the Governor General for an explanation. We need to make sure that she sheds light on the situation.

In the media, people have started to compare her trip with the Prime Minister's trip to Europe, and we see that the costs incurred by the Governor General are three to four times higher than those incurred by the Prime Minister on his trip. I do not know if you find this normal, but I, for one, find it problematic.

Of course, there is also the amount of money spent on gas for the plane, \$248,000.

I would also like to know exactly why it was essential that she represent Canada with 29 other people. This is a question that can be asked.

I would like to tell you that the Minister of Canadian Heritage himself told reporters that the Governor General would have to explain these unrealistic expenses. I am echoing his words, Mr. Chair.

This is a scandalous situation, and I'm choosing my words carefully.

May I ask that the committee hold a debate on this?

• (1200)

[*English*]

The Chair: Is there unanimous consent that we debate this motion now?

Some hon. members: No.

The Chair: Thank you very much.

[*Translation*]

Mr. Alain Therrien: In that case, I can now ask the witnesses questions, right, Mr. Chair?

In fact, I thank you for allowing me to present my motions.

The Chair: Yes, you have two minutes left to ask the witnesses questions.

Mr. Alain Therrien: Okay.

[*English*]

The Chair: Let me explain this.

The clerk informed me that when you table the motion, the clock is stopped, which I did when he read the motion. Then I started the clock again when he explained it. It's his time and he now has two minutes to ask questions.

Mr. Dong.

Mr. Han Dong: I just have a brief comment to make on this.

The Chair: On a point of order, this is not a debate time.

Mr. Han Dong: I'm sorry. It's a point of order.

[*Translation*]

Mr. Alain Therrien: Here we go with the points of order.

[*English*]

The Chair: The UC has been rejected, so we're not going to debate this now.

I will hear points of order—

Mr. Han Dong: I'm not debating. I have a point of order.

I was under the impression that when the honourable Bloc member was going through his motion he was using his time, because I raised a point of order that, out of respect for the witnesses, we should focus on today's study. I let him finish without interrupting him. Now that he has had the clock start again, I just want to say that I find it a little inappropriate to do this and that this is a less partisan committee, if you will, of the Parliament, and I just want to be heard.

The Chair: As do I.

Just one second, please.

Mr. Dong, I too found it a bit unusual.

I was instructed by the clerk that the way to proceed is that when the motion is read—just the motion—I pause the clock. The moment the member began to explain his motion I restarted the clock. That chewed up four minutes. He has two minutes remaining.

[*Translation*]

He can therefore use these two minutes to ask the witnesses questions.

[*English*]

My view has always been the the time members have is their time. They can speak to whatever they like. While I see your point that by presenting the motion the member was granted that extra time, the second he was done his motion I started the clock again as he explained it.

[*Translation*]

Mr. Alain Therrien: Thank you, Mr. Chair.

My Liberal colleague has just told me that ensuring the sound use of taxpayers' money is partisan. We do not all agree on that.

My question is for the representative of the Privy Council Office.

On July 23, 2020, you launched a thorough, independent and impartial review of concerns raised by former and current employees of the Office of the Secretary to the Governor General.

Do you intend to do the same thing by launching a review of the Governor General's control of expenditures this time around?

The Chair: To which witness is your question directed, Mr. Therrien?

Mr. Alain Therrien: To the representative of the Privy Council Office.

[*English*]

The Chair: That's a question for you, Ms. Goldman, if you could.

Ms. Goldman, can you hear us?

● (1205)

Ms. Laurie Goldman (Director of Operations, Privy Council Office): My apologies, Mr. Chair. I could not hear you. I heard the question. I did not realize it was addressed to me.

The Chair: You heard the question, so we'll go over to you, please.

Ms. Laurie Goldman: I did hear the question.

This is not pertinent to the study today, so it is not something I will respond to. It's certainly something we can take under advisement and respond to in writing.

The Chair: Thank you.

[*Translation*]

Mr. Therrien, you can continue.

Mr. Alain Therrien: What I understand is that the door is open. That's nice to hear.

Infrastructure Canada's spending is close to \$200 billion. Anyone who has ever tried to understand what these expenses are related to or what provinces the money is allocated to knows that it is a real mess, an indescribable mess. It is hard to understand why there are delays, whether targets are being met and how to track spending.

In her last report, the Auditor General talked about the obvious lack of transparency in this institution.

My question is for the representatives of Infrastructure Canada.

Were you surprised when the Auditor General told you that, when you spend about \$200 billion a year, you have a duty of transparency? We are in a democracy. Did you suspect that your way of working lacked transparency?

That is the first question.

The second question—

The Chair: Mr. Therrien, you will have to wait until the next round of questions to hear the answer to your question, because your time is up.

Mr. Alain Therrien: Can I use my time for the next round right away?

The Chair: I've been very generous. You asked your question and, in the next round, you can ask for an answer.

Mr. Alain Therrien: That's fine, thank you.

The Chair: Thank you very much.

[English]

I'm turning now to Mr. Desjarlais.

You have the floor for six minutes, please.

Mr. Blake Desjarlais (Edmonton Griesbach, NDP): Thank you very much, Mr. Chair.

I'd like to thank all of the witnesses for being present today and I apologize. I understand it's been difficult to get your whole statements in. I just want to appreciate your time here today.

I'd like to direct my first question to President Bowers.

I was pleased to hear the stories of success you noted in your statement on the Canada Mortgage and Housing Corporation's work, but I was reminded of another story from my own city of Edmonton that paints CMHC's progress in a very different light.

Despite heavy winds, grey skies and a steady drizzle on Wednesday, June 16, just yesterday, dozens of Edmontonians gathered downtown to remember those who died due to homelessness between 2019 and 2021. The service, which was attended by the mayor of Edmonton, much of the city council and many of the province's MLAs, was organized by the Edmonton Coalition on Housing and Homelessness, a group that does incredible work fighting the housing crisis that is gripping our city.

What we hear from them is that they still lack the kind of funding and support necessary to ensure that we continue to have a compassionate and strong approach to ending homelessness in my city.

There's another number that I'd like to cite in relation to CMHC's work, which is 453. There were 453 people who died from complications in the city of Edmonton due to homelessness in just the last three years, ranging between 2019 and 2021.

I quote from the statement we heard this morning that according to the Auditor General, "We also found that funds were not being spent as quickly as expected and, as a result, federal partner organizations moved planned spending each year to later years."

My question to the president is this: How much legacy program funding from CMHC has yet to go out?

That's one of three questions to the same witness.

Ms. Romy Bowers: I want to start off by saying that the CMHC recognizes that there is a homelessness crisis in Canada and that there's more the federal government and all orders of government have to do to support housing for those most in need.

CMHC was very pleased to be involved in the development and now the implementation of the national housing strategy, which is

a \$72-billion plan to address the housing needs of Canadians with a focus on those with the greatest levels of housing precarity.

There's no question that CMHC can do more and needs to do more. I just want to say that I'm very committed to doing what I can to address the issues that the member may be hearing on the ground in Edmonton. We have staff in Edmonton. I'm very happy to address any specific concerns they have.

• (1210)

With respect to the spending of the national housing strategy, I want to point out that we have very specific commitment numbers that we try to hit on a yearly basis. When the national housing strategy was first implemented, it did take some time for CMHC to develop a pipeline and there were delays in getting the money out to proponents, but I'm very pleased to report that, subsequent to that, we have made very significant improvements. As of right now, we are on target in terms of making the commitments to the funding that's been allocated to us.

When there are allocations from one fiscal year to the other, it's not because we have not made the commitments but because of the nature of housing as infrastructure. We provide the funding to proponents as the construction is completed. Oftentimes, it's very difficult to predict how that construction life cycle proceeds. That really is what's driving the transfer of funding from one year to the next.

One of the things we are observing recently is that there has been an impact on the pace of housing development because of certain supply chain disruptions caused by the pandemic, but there's also great pressure in the construction industry, given the huge demands that are on construction workers due to the ambition of infrastructure programs and the need to create a greater housing supply in Canada.

Mr. Blake Desjarlais: That pretty well exhausted my entire time there, but I'll follow up, hopefully, with a few more questions on that fact, so just hold onto that.

Thank you very much, Mr. Chair.

The Chair: You have another minute.

Mr. Blake Desjarlais: I have a whole other minute—excellent.

This is the second part to that question.

In relation to the experiences, I was really happy to hear your comments, and I would agree with you that we are experiencing a national crisis. People are dying, as I just mentioned, 453. We have to move faster. In her opening remarks, the Auditor General made it very explicit that things can be faster.

For Canadians' benefit, particularly those who are facing a crisis in just a few months from their own paycheck, how much faster will the commitment of CMHC be to building houses? Can we expect those targets to continue to be on track?

Ms. Romy Bowers: We have different service-level standards depending on the type of program, but maybe I could just provide it at a very high level. We've recently made a commitment that, if we have programs where it's 100% grant or contributions, we can get the funds out the door and the agreement signed within a four-week period. There are longer time frames for loans because of the due diligence we need to do to make sure the credit underwriting process is done, so that varies. We are always trying to improve our turnaround times and always very happy to receive feedback from our clients.

The Chair: Thank you, Ms. Bowers.

That concludes our first round. We'll now move into our second round.

Mr. Duncan, you have the floor for five minutes, please.

Mr. Eric Duncan: Thank you very much, Mr. Chair.

Thanks to our witnesses for being here.

Ms. Bowers, I'll direct my questions to you in your leadership role with the CMHC.

Your website quotes your goal and the reason you're there. It says, "CMHC exists for a single reason: to make housing affordable for everyone in Canada." I don't need to go through the statistics over the course of the last couple of years. In my neck of the woods in eastern Ontario, housing prices have doubled in the last five years. In the last year, we've seen an increase of about 26%. More people than ever before are discouraged in the market and have actually given up on home ownership entirely.

At the same time, your organization gave out, in 2020 and 2021, \$48 million in performance bonuses to your staff. That averaged \$12,000 for each employee and 94% of employees received a bonus. I think many Canadians, seeing that, would be very frustrated. For an organization that's mandated with affordable housing, seeing the report that was issued from the Auditor General 15 months ago about performance issues, delays and actually keeping to commitments that had been made by the government in your organization, there would rightfully be a lot of frustration there. Even some partner municipalities in my region continue to be frustrated with the application process, the delays and some of the extra red tape and extra things that are required to get a simple approval on an application to even build affordable housing in our region.

I want to ask you this from a change management perspective. You've had 15 months to reflect on the Auditor General's report that unfortunately concludes for CMHC a lot of what we see in other departments. Spending money is not a result. Actually, while money is being spent, fewer results are being achieved.

I won't ask you to detail the \$48 million and how it's done. Since the last Auditor General's report, which concluded in quite damning performance issues and delays in processes, could you advise me, in your management role and working with the minister, if you've made any single change to how performance bonuses are issued within your department and organization?

• (1215)

Ms. Romy Bowers: Thank you very much for that question.

As I mentioned earlier, CMHC is very committed to continual improvement in our processes. We have made significant improvements to improve the client experience. Again, if there are any specific concerns that you have from proponents in your riding, we're very happy to respond to those on a one-by-one basis.

We continue to improve our processes and the application timelines. We try to establish very good relationships with proponents on the ground to make sure that their needs are addressed in an expeditious manner. We're always very happy to respond to any specific questions on individual projects that exist.

On the subject of CMHC's compensation philosophy, CMHC runs a government appropriations operation, but we also have a commercial business where we compete with private sector competitors. We're very conscious that we need to manage our expenses in line with government guidelines. We conduct benchmarking on an annual basis to ensure that our compensation is aligned with peer institutions in the private sector as well as the public sector.

I'm quite comfortable that the level of compensation we provide is reasonable—taking into consideration the need to make sure that we conserve taxpayer resources—but at the same time is sufficient to attract employees because we have a very important role in providing services to Canadians.

Mr. Eric Duncan: I have about a minute left here. I'll take that as a no, that there haven't been any changes since the Auditor General's report. I'll just respectfully note that there is a difference between compensation of employees and performance bonusing.

I would argue that, particularly after the Auditor General's report and conclusions—and at a macro level I appreciate the offer to look at any specific inquiries—which speaks to several delays and process issues, data transparency and so forth, those changes are not about changing the base compensation but how performance bonuses are awarded. I'll just use as an example your opening comments, which we were able to hear you deliver. We heard that you "collaborated to commit" to build more new units. If you were tying the performance bonus in with actually delivering results, I think we can get a better result.

I'll leave it at this: Unfortunately, we're not seeing change in terms of those issues where performance bonuses should be tied to results. Perhaps that may achieve some better results, so we'll continue to follow up on that.

The Chair: Thank you, Mr. Duncan.

We turn now to Ms. Shanahan.

You have the floor for five minutes.

Mrs. Brenda Shanahan: Thank you very much, Chair.

Thank you to the witnesses as well for appearing here today.

I want to point out that this is a follow-up on a previous Auditor General's report. I think this is important for those who are watching this committee today. This is the kind of work that public accounts does. We work with the Auditor General's office and we call to account deputy ministers and public servants in following the recommendations that the Auditor General puts forward. Indeed, we are happy to see this, because it's one thing, as my colleague likes to point out, to throw money at a problem, but it's another thing to ensure that the process allows for deliverables.

In that line of thought, the Auditor General did find that the programs contributing to the investing in Canada plan were not spending their allocated funding on projects as quickly as planned. That's something that we often see. Funds can lapse. This is important because, when spending is delayed, then there's a risk that the objectives in the plan will not be met.

Following this finding, the Auditor General recommended that Infrastructure Canada work with its federal partner organizations to improve monitoring, tracking and reporting on progress. We heard something about the horizontal table tool.

I'm looking to Deputy Minister Gillis. Could you talk to us about that tool and how to ensure that spending is not delayed in the future?

• (1220)

Ms. Kelly Gillis: The horizontal initiatives table, which is published on our website, is a tool that we have augmented and improved following the Auditor General's report and recommendations. It includes all 90-plus programs from the 21 departments. It has been regarding the flow of funds. We have a particular segment and report on the cumulative flow of funds, as well as the expected reimbursements that would be made in the 2022-23 fiscal year, which is \$18 billion. That information is available and easily found.

At the end of the 2022-23 fiscal year, we will show what the actual reimbursements were. That is, I think, a way to have easily understandable information to be able to attract the flow of funds.

One context piece that is important to note on infrastructure is that we move money at Infrastructure Canada to allow for the payment and reimbursement of commitments we made over multiple years, but the delays in the construction of infrastructure projects are not within Infrastructure Canada. They're often with municipalities, provinces and territories, and non-profit organizations. When they're building a particular piece of infrastructure, if there are, such as Ms. Bowers mentioned, delays because of supply chain issues, they only get reimbursed after they've built and incurred expenditures. The flow of funds happens after the fact, after construction, after the expenditures. Those delays are often with proponents for a multitude of reasons and that's what each department tracks within their own estimates process, and within their own departmental accountabilities. Then they report to us on a cumulative basis and now we are providing that on our website, showing what the cumulative is, as well as what the annual plan is. Then against that, we show what the annual actual will be.

One point of note, I think, with infrastructure as well, is that, when we look at last year compared to this year, last year the overall for the plan was \$48 billion that was claimed and reimbursed. At

this point in time, it's about \$67 billion, so there was a 41% increase in one year. Also, with infrastructure the flow of funds also is more back-ended than front-ended. When you do an infrastructure project, there's often planning and design, and that happens in the first months or years. The heavy construction, where the more important costs are often involved, is often in the later years. Therefore, you often see later spending rather than earlier spending in types of infrastructure programs.

I hope that provides some context on delays and also what's available in the reporting.

Mrs. Brenda Shanahan: Thank you. That's a very fulsome answer.

Do I have time?

The Chair: You have a hard 30 seconds.

[*Translation*]

Mrs. Brenda Shanahan: I have a question for the CMHC representatives.

The rapid housing initiative has helped a lot in my riding of Châteauguay—Lacolle. We've had some great projects.

Tell me about this initiative, please.

The Chair: You have 20 seconds to respond.

[*English*]

Ms. Romy Bowers: Thank you very much for the question.

The rapid housing initiative was a very successful program that was launched during the pandemic to provide immediate housing for those experiencing homelessness or at risk of homelessness.

The government made an investment of \$2.5 billion, resulting in 10,000 housing units being created and funded within a very short period of time. It was a very successful program that really helped those most in need.

The Chair: Thank you.

We're going to have to move on.

[*Translation*]

I now give the floor to Mr. Therrien for two and a half minutes.

Mr. Therrien, your time will pass very quickly. In the previous round, you asked a question to which you did not get an answer.

Mr. Alain Therrien: Indeed, Mr. Chair. I will therefore let the witness answer. I hope she remembers my question.

The Chair: Who did you ask the question to?

Mr. Alain Therrien: My question was addressed to the representative of Infrastructure Canada. I will repeat it.

When a department has a budget of nearly \$200 billion, it must be as transparent as possible about how it spends that money. We know that it is very difficult to check what is going on at Infrastructure Canada and to obtain details about delays, the achievement of objectives and the tracking of expenditures.

Why did you wait for the Auditor General to tell you that there was a lack of transparency before you realized that this was indeed the case? Had you taken action before that? It seems to me that it was obvious that you were pretty much in the dark.

• (1225)

Ms. Kelly Gillis: An audit like this is very important to help us understand where we need to improve on Infrastructure Canada and the investing in Canada plan. We had a lot of information on our website about the plan, but there's always room for improvement.

Among the more specific things, the Auditor General mentioned that the information on the old programs should be more clearly described in the plan and added to the horizontal initiative table. I think we need a complete picture of the different programs we have.

Before the audit, we also had a lot of information on the plan, but it was an area for improvement, and we fully accepted the Auditor General's recommendations.

Mr. Alain Therrien: Thank you, Ms. Gillis.

You're talking about the horizontal initiative table. That's public service jargon. Can you summarize what it's about in 10 seconds?

Why didn't you put that in your report? It sounds like a nice invention, but we didn't see it in the report.

Ms. Kelly Gillis: We had the table, but it didn't show the information for the old programs, as the Auditor General mentioned. The table included all the new programs that were launched in the context of the 2016 and 2017 budgets. Earlier programs were not included, because they existed before the plan was created and they already had their own table showing performance results.

As a result of the audit, we have added the earlier programs to the existing table.

The Chair: Thank you very much.

Mr. Therrien, your time is up.

Mr. Desjarlais, you have the floor for two and a half minutes.

[*English*]

Mr. Blake Desjarlais: Thank you very much, Mr. Chair.

I want to thank the witnesses again for being here.

My question will be for Ms. Gillis from Infrastructure Canada.

Oftentimes when we see some of these audits.... For example, we review them. In this case, it's the second time we're reviewing it. Something that I think is important to the mandate of this committee is to know and understand how seriously the Auditor General's reports are being taken and whether or not those recommendations are truly being implemented in a fashion that's appropriate to what we can expect from our institutions, particularly Infrastructure Canada.

Regarding the horizontal initiatives specifically, such as the investing in Canada plan, can you please describe an unsuccessful project and the lessons learned therein?

Ms. Kelly Gillis: Thank you for the question.

When we look at the investing in Canada plan, we see there are 21 departments and 90 programs involved, so when you go down to the project level, that will vary depending on the department, the program and how it's managed.

I'll speak to Infrastructure Canada. It doesn't manage projects specifically. Those are managed by municipalities, non-profits and the provinces themselves. We are a cost-sharing funding partner, investing in those particular infrastructure projects.

There can be varied reasons why an infrastructure project does not advance as planned by the proponent. As Ms. Bowers said, it could be a supply chain reason, it could be a labour reason, or it could be a change of decision or prioritization by a particular government why a particular project does not advance as planned.

If that is the case, with Infrastructure Canada, should a municipality, for example, decide to cancel a project because it's not advancing it, if we have advanced any money, that would be reimbursed. We would then put the money back. If it was an integrated bilateral agreement with a particular jurisdiction, it would be available to fund another project.

The Chair: You have 30 seconds—hard.

Mr. Blake Desjarlais: In some sense part of the issue is related just to the size. The pure scope of the project is massive, so I appreciate the difficulty of administering it, particularly with almost two dozen partners.

Would part of that problem be the siloing of these ministries or these departments in actually delivering the results of the action plan? Is there any recourse that you can take to fix some of the problems that you're noting?

• (1230)

Ms. Kelly Gillis: Thank you for the question.

We and the partner departments have worked quite diligently since the Auditor General's report to improve our protocols, data sharing and consistency of information, so it enables us to report more efficiently and more effectively.

I can give you a great example of that. We have a table—not the horizontal table—

The Chair: I'm afraid, Ms. Gillis, I'm going to have to cut you off there. It's already over, but I appreciate it. If there's anything else you'd like to submit to the committee to follow up on that example, we'd be happy to receive it. I do need to end that there.

I'll turn now to Mr. Patzer. You have the floor for five minutes, please.

Mr. Jeremy Patzer (Cypress Hills—Grasslands, CPC): Thank you very much, Mr. Chair.

I'm just going to start with Infrastructure Canada here. You claim that you have improved the reporting cycle, so with that improvement were you able to clarify and collect data that was previously missing from, say, 2016 to 2020?

Ms. Kelly Gillis: Thank you for the question.

I can follow up on the example that I was giving to answer this particular question.

We have improved the consistency and the way that we work within the 21 departments. We have a funding table that is available online. It was available online prior to the report as well. It provides a complete accounting for every dollar within that particular plan and showcases the budget for the \$188 billion by program for the 90-plus programs: the commitments that are made, the number of projects that are approved, the number of projects that have started and the number of claims that have been reimbursed.

Prior to the Auditor General's report, because these are 90 different programs in 21 departments using different systems, it was taking us a couple of months to be able to consolidate and prepare and post that particular report. Through the work that we've been able to do, we can do that now in just a few weeks. That report is posted quarterly, and the next version will be up later this month.

There has never been any missing money, and in the Auditor General's report it does say there is a full accounting for the particular plan and the spending under the plan.

Mr. Jeremy Patzer: Thank you.

Part of the justification for the massive programming was that it claimed that it would create 100,000 jobs per year. The last time you were here you couldn't confirm that this happened because of poor data. Now that you guys have improved your system, I'm just wondering, again, if the programming has created 100,000 jobs each year.

Ms. Kelly Gillis: Thank you, Chair, for the question.

If we look at the table that I talked about regarding the flow of funds, you see that in this particular year that we're in, 2022-23, the planned spending is \$18 billion. If we use StatsCan's seven jobs for every million dollars spent, that would create 120,000 jobs.

Yes, that is planned to support that this particular year. Actually, if we look at the StatsCan infrastructure hub, which we worked on with StatsCan to create, we see investments in public infrastructure, which are beyond just the plan—I want to make that known—of almost \$90 billion, three-quarters of which is from the public sector, and since 2015 it's increased by 21%.

If we look at the about 550,000 jobs in infrastructure right now, we are supporting them because the private sector actually has been very flat in being able to increase their investments. Since 2015 they have only increased by 4%, where public sector investment has increased by 21%, and the investing in Canada plan has been an important contributor to that increase and support of jobs.

Mr. Jeremy Patzer: Over the last couple of years, though, based on the data.... You talked about 2022 and 2023, and you used some

forecasting numbers to suggest 120,000 jobs, but looking back, was it 100,000 jobs per year?

Ms. Kelly Gillis: If I look back to last year, as I mentioned, on the flow of funds table, we've reimbursed \$20 billion—

Mr. Jeremy Patzer: But how many jobs?

Ms. Kelly Gillis: —so that would be more than 120,000 jobs. Yes, if I look at last year, the numbers also support that job creation number.

Mr. Jeremy Patzer: Thank you.

Now that time has passed and we've gone through COVID-19 and the whole thing, does the department have any statistics that they can share on the impact the slow rollout of certain funding programming had over the last couple of years? Were there delays, and things like that, that were faced?

Ms. Kelly Gillis: Certainly, over time, there have been delays, as Ms. Bowers has mentioned, in supply chains, and we are in discussion with jurisdictions on what that means in certain cases. That's one of the reasons why the investing in Canada infrastructure program—not the plan but the \$33-billion infrastructure program that I talked about—has been extended to 2033 to allow for some of the major infrastructure investments, like some of the major transit subways, to be able to complete within the program parameters. That—

• (1235)

Mr. Jeremy Patzer: I'm going to cut you off there because I have a short bit of time left.

I have two really quick questions, so I'd appreciate quick answers. What is the department's approval rate for those applying to the investing in Canada plan? Give a 10-second answer, please.

Ms. Kelly Gillis: If it's the COVID stream, it's 20 working days. If it's not the COVID stream, it's 60 working days, but that's based on complete applications.

Mr. Jeremy Patzer: Okay. Thank you.

Last, how much money was given to people who did not actually qualify for funding?

Ms. Kelly Gillis: None.

I want to put a caveat to the last one, if there's a Treasury Board submission and it has to go to Treasury Board, it would take longer than the 60 days.

None, we do not fund ineligible projects.

The Chair: Thank you very much, Ms. Gillis. Those were excellent quick responses.

You did well, Mr. Patzer. When you said two questions, I was worried there.

Turning to our last member, Ms. Bradford, you have the floor for five minutes, please.

Ms. Valerie Bradford (Kitchener South—Hespeler, Lib.): Thank you so much to our witnesses today. I must admit, at any committee, I don't think I've ever seen such an array of witnesses. We really appreciate your contributions today to the discussion.

Ms. Gillis, what progress, if any, has been made in measuring the progress of legacy programs in contributing towards the objectives of the detailed action plan?

Ms. Kelly Gillis: For those particular programs that they have advanced and are complete, they do not have any new applications that are coming through them, so those projects are advancing and concluding.

Ms. Valerie Bradford: Are you tracking and measuring the progress that they are contributing to the plan?

Ms. Kelly Gillis: Yes.

On our funding table, you will see each legacy program that is part of the investing in Canada plan, and you can see on there the amount of money that's been committed, how many projects, as well as the reimbursements. As well, on our horizontal table, there are links to the detailed information within those particular programs that would provide results information.

Ms. Valerie Bradford: Thank you.

Further, Deputy Minister, what has the federal government taken away from this process of receiving and adapting to the recommendations made by the Auditor General's office? How will it be proactive when developing similar initiatives in the future?

Ms. Kelly Gillis: I think the importance of governance, of coordination and of data integrity in sharing data from different systems are all important lessons learned, and they are certainly being shared with my colleagues for other such initiatives. We have the Treasury Board Secretariat here as well as the Privy Council Office that we work very closely with on these types of horizontal initiatives.

Ms. Valerie Bradford: Thank you.

I believe you alluded to this next bit, but there was such a focus in this whole report about delays in spending the allocated funding. Could you elaborate a little bit more on some of the critical reasons—I know it's very diverse and there are a number of different departments—for why there are holdups in getting the spending done and out the door?

Ms. Kelly Gillis: For infrastructure programming, as I mentioned a little bit in a previous question, first of all, you have to get the authority and you have to launch a program. I'll give the exam-

ple of ours with our investing in Canada infrastructure program working with provinces and territories. We need signed agreements. They need programs to cost-share with us, so they have to develop those programs. Then they need to do intake processes to get the applications. They need to prioritize which projects, and then send them to us. Then proponents, which are often municipalities, need to plan, develop and implement the particular project and then send invoices after progress has been made. All of that takes time.

In infrastructure, often the early years are really about planning and design, and the heavy builds come in later on in the project. For all of that to happen, in the early years we expect less, and then, as it's coming into the later years of this particular plan but also the program itself, more builds come. That said, when we commit to a particular project that is going to be completed over a particular period of time, if there are delays within a particular proponent, it's really important for us to be able to move the money forward so it doesn't lapse and go back to the consolidated revenue fund. It gets moved forward based on forecasts from provinces and territories so that we have the money available to abide by the commitments we have made.

● (1240)

Ms. Valerie Bradford: Thanks for that very fulsome answer.

I'm sure there is a great range, but can you just give us some idea of the range and how long it can take with all this initial front-end work that I would deem administrative processes? Before you get to the spending and getting the money out the door, it sounds like it can be years sometimes.

Ms. Kelly Gillis: It can vary. It's normally within months within a fiscal year, but following a budget, there is generally a memorandum to cabinet process. There is the Treasury Board submission process. There's a program design and launch process, and then, depending on the type of infrastructure program you are managing, there's how much time it will take proponents to apply and go through the due diligence for approval. It will vary significantly depending on the program, but the expenditure management process from budget to launch will also vary depending on the complexity of the program.

The Chair: I'm afraid that is all the time.

Thank you, everyone.

I want to thank all our witnesses for appearing today and for taking the time out of your busy day. June is a particularly busy month here, so I will excuse the witnesses. Thank you again for joining us today.

I'm now going to suspend the meeting for a few minutes while we go in camera.

[Proceedings continue in camera]

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