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Standing Committee on Public Accounts

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• (1630)

[*Translation*]

The Chair (John Williamson (Saint John—St. Croix, CPC)): Good afternoon, everyone.

I call this meeting to order.

Welcome to meeting number 36 of the House of Commons Standing Committee on Public Accounts.

[*English*]

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

[*Translation*]

Pursuant to Standing Order 108(3)(g), the committee resumed consideration of the Public Accounts of Canada 2024 and Public Accounts of Canada 2025, referred to the committee on Tuesday, December 17, 2024, and Friday, November 7, 2025.

Gérard Deltell (Louis-Saint-Laurent—Akiawenhrahk, CPC): Mr. Chair, I would like some clarification.

The Chair: Yes, I am listening, Mr. Deltell.

Gérard Deltell: Have you heard anything back from the Minister of Finance and National Revenue in response to the invitation that we sent him a few weeks ago?

The Chair: Once again, no. We have not heard back as of yet. However, like you, I hope that now that yesterday's economic update is out of the way and the budget-related business has been introduced in the House, perhaps the Minister of Finance and National Revenue will answer our calls and emails. To date, he has not done so, but we will continue to ask him to appear before the committee before the summer recess.

[*English*]

In other news, I want to welcome our new member, MP Ma.

It's nice to have you joining us here.

We have a guest today.

Mr. Rana, it's nice to have you here as well.

There's no other change on the committee.

I'll turn to our witnesses from the Canada Infrastructure Bank. We have Frédéric Duguay, executive vice-president and chief legal information officer.

Thank you very much for joining us today. I believe you're dialing in from Toronto.

We also have Steven Robins, executive vice-president, portfolio and strategic projects, also by video conference.

I believe there's an opening statement from Mr. Duguay.

You have about five minutes for that, and then we'll turn to questions. We will endeavour to keep you here for just an hour. Thank you for your patience, as we were voting today on the economic update.

Ron McKinnon (Coquitlam—Port Coquitlam, Lib.): Chair, we don't see the guests on the screen.

The Chair: We will work on that in the meantime. Is it okay if I begin, Mr. McKinnon?

Mr. Duguay, you have the floor, please, for about five minutes.

Frédéric Duguay (Executive Vice President and Chief Legal and Information Officer, Canada Infrastructure Bank): Good afternoon, Chair and honourable members.

[*Translation*]

Thank you for the invitation to address the committee in relation to its consideration of the Public Accounts of Canada 2024 and the Public Accounts of Canada 2025.

My name is Frédéric Duguay, and I am the executive vice-president and chief legal and information officer at the Canada Infrastructure Bank, or CIB. I'm joined today by my colleague Steven Robins, the executive vice-president of portfolio and strategic projects.

The CIB was created to help get infrastructure projects unstuck and to build more, faster. Through its flexible financing, it can address market and affordability gaps that get in the way of important projects moving forward.

[*English*]

Unlike a granting program, the CIB is a repayable investment tool. We make disciplined, commercial investments designed to crowd in private and institutional capital, lower the overall cost of infrastructure and get paid back, so that funds can be reinvested into new projects. The CIB operates under an independent board of directors with accountability to Parliament exercised through the minister, including through the corporate planning process.

Since 2020, the CIB has consistently invested \$3 billion to \$4 billion annually, and we expect this pace to continue given the critical importance of infrastructure to Canada's economic future. This pace of investments was confirmed by the PBO in a 2025 report, which concluded that the CIB is on track to reach \$37 billion in financial closes by the end of fiscal 2029-30.

Today, we've made loans to 108 projects that have a total project value of \$55 billion. We have projects in every province and territory, and our pipeline is healthy. These projects support more than 315,000 Canadian jobs and other downstream domestic benefits for Canadian companies, workers and supply chains. There are 11 completed projects, and this number is growing every quarter.

• (1635)

[Translation]

For every project it finances, the CIB looks at the public benefits that new infrastructure delivers to Canadians, such as growing the economy, closing the indigenous infrastructure gap and diversifying trade corridors.

The CIB funds a variety of projects. Some examples include a rail terminal in Alberta's industrial heartland to help move goods to Canada's west coast and onward to international markets; a wind turbine and energy storage system in Nunavut to get an island community off diesel; and a biomass plant in a remote first nation community in the Haute-Mauricie region of northern Quebec to ensure long-term energy security and economic development.

Budget 2025 increased the CIB's allocation to \$45 billion. This additional allocation will enable the CIB to continue on its ambitious program of investments in projects that deliver real benefits to Canadians. Budget 2025 also increased the CIB's indigenous investment target to \$3 billion, since it surpassed the original \$1-billion target.

[English]

As detailed in the 2025 public accounts, government appropriations to the CIB have nearly doubled since 2024. This reflects the fact that 80% of CIB-financed projects are currently in construction and require capital.

[Translation]

We expect this trend to continue as more projects ramp up construction activities. Additionally, the expansion in the CIB's mandate means that it has more opportunities to unlock further investments across the country in a broader number of sectors.

Infrastructure finance is not based on spending within a single year. Rather, investments are committed and financial agreements are finalized first, with money released over several years as construction progresses.

[English]

Since July 2024, the CIB has not required government appropriations to cover its operating costs. As repayments of our loans are received, including initial principal repayments now under way, those funds are recycled into new investments. This reinforces the CIB's financial self-sustainability and extends the investing capaci-

ty of Parliament's authorized capital over time, while minimizing the burden on taxpayers.

On an annual basis, the CIB works with one of our portfolio departments, the Department of Housing, Infrastructure and Communities Canada, to develop a corporate plan and budget. In 2025, this process was interrupted by the prorogation of Parliament in January and the subsequent election.

Once the election was completed and a new minister was in place, the CIB and HICC worked closely to finalize the 2025-26 corporate plan, which was approved in December 2025 and tabled in Parliament in accordance with the legislative requirements under the Financial Administration Act.

[Translation]

I am also pleased to report that we have completed our 2026-27 corporate plan, which was approved by Treasury Board last week. This plan reflects the CIB's current mandate and aligns with the priorities of government to leverage tools like the CIB to crowd-in private capital and get more infrastructure built faster.

[English]

Thank you for your attention. Mr. Robins and I welcome your questions.

The Chair: Thank you very much.

We will begin with our first round, which will consist of three members with six minutes each.

Ms. Kusie, I believe you're kicking things off for us.

Stephanie Kusie (Calgary Midnapore, CPC): Thank you, Chair.

Mr. Duguay, the July 2025 Parliamentary Budget Officer's report on the Canadian Infrastructure Bank states, "The CIB is not expected to reach its disbursement goals in any sector by 2027-28." Is that acceptable to you?

Frédéric Duguay: We accept the findings from the PBO's reports. As I said in my opening remarks, we have over \$18 billion, to date, in investment commitments. In the report, the PBO also acknowledged that we would reach \$37 billion in financial closes by 2029-30. That's above the \$35-billion appropriation that was initially approved in 2017.

You have to recognize that, as we deploy capital, we provide capital to projects, generally, over an availability period that will, on average, be around five years. As projects are built, our capital gets deployed over that time. In identifying that gap, the PBO report doesn't necessarily recognize the difference between when capital is committed on reaching financial close and when capital is deployed over the life cycle of a project. As I said, this generally takes five or six years, in terms of project construction.

• (1640)

Stephanie Kusie: The report also states, “Since the CIB was established, two-thirds of partner funding has come from public-sector partners.” That means two out of three project dollars have come from one form of government or another.

The former chair of the Canada Infrastructure Bank, now the Clerk of the Privy Council, Michael Sabia, claimed that for “every dollar of federal commitment [there is] four or five dollars” waiting to come from the private sector. We know from the PBO that this hasn't been the case. Why has this private investment not come yet?

Frédéric Duguay: In our annual report—and I can also let Mr. Robins speak to this—we measure capital deployment and attraction of private sector capital through two horizons. At the time we reached financial close, as the PBO notes, the CIB's capital is one source of capital, generally as part of the capital stack of a project, which may include not only government grants, but also funding from the private sector. On that metric, we're over a 1:1 ratio.

We also measure the long-term enabled capital with respect to a particular project. This might be the right segue to turn it over to Mr. Robins. He can provide details on how we measure the capital that's enabled in a project throughout the life cycle of an investment.

Steven Robins (Executive Vice President, Portfolio and Strategic Projects, Canada Infrastructure Bank): Just to expand on what my colleague Mr. Duguay said, on every single project we start by measuring the CIB's investment and the private sector investment into that project. However, over time, the private sector pays us back. There's an evolution in how much private capital is in the project, from when we first start construction through the life of that project. As my colleague said, as of right now, there's more than one dollar of private sector money in every project that the CIB has invested.

Further, we commissioned an independent study to look at the enabled private capital. My colleague talked about the example of the short-line rail terminal in the Alberta industrial heartland. The explicit goal of that project is to facilitate new investment in industrial activity around the Alberta industrial heartland, which would not be able to access global markets absent improved rail connections. When you look at not just the capital that is going into the infrastructure project but also the private sector investment that's enabled by those investments, that study found that more than four dollars of that enabled investment were coming from every single CIB investment.

Stephanie Kusie: We're currently studying the 2024-25 public accounts, which show that the Canada Infrastructure Bank has received billions of dollars from the federal government, and continues to yearly. However, your most recent quarterly financial report shows that despite billions in public money being spent, the bank has completed just 11 total projects. This June will mark nine years since the bank was founded by this Liberal government. Do you believe completing just 11 projects in nine years shows value for money for Canadians?

Frédéric Duguay: As I mentioned earlier, we have over 108 projects in which we've reached financial close. Over 80 of those 108 projects are currently in active construction. As the member

points out, 11 have reached a completed milestone and are in active operation.

The life cycle of an infrastructure project, in its construction, essentially takes multiple years. As I said earlier, a general availability period for the construction of a project will be five or six years, on average. We are seeing these numbers trend upward every quarter. It's currently 11 and it will continue to grow, quarter by quarter, as those 108 projects, in which we've received financial close, reach a fully completed construction milestone.

• (1645)

Stephanie Kusie: Thank you.

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

Up next is Mr. Osborne.

You have six minutes, please.

Tom Osborne (Cape Spear, Lib.): Thank you, Mr. Chair.

Can you tell us about the interlink between the Canada Infrastructure Bank and the Major Projects Office? How do they work together?

Frédéric Duguay: I'll let Mr. Robins take this question. He's more involved in these discussions than I am.

Steven Robins: Thank you for the question.

We work very closely with the Major Projects Office, as identified in the statement of priorities and accountabilities that was issued to the CIB earlier this year. We prioritize investments in projects that have been referred to the Major Projects Office.

What that looks like on a day-to-day basis is that the Major Projects Office is working to ensure a coordinated federal presence on those projects, looking to ensure that they have a clear path to securing regulatory approvals and defining the projects. The CIB works closely as a source of financial expertise with the Major Projects Office in order to assess the overall economics of the project and think about how our tools can support getting that project into construction, becoming part of the 89 projects we have across the country under construction.

We're seeing results from that so far. As you may have seen, we announced an investment in the port of Montreal's Contrecoeur expansion terminal. It's a loan from the CIB to support expansion of container shipping on the east coast, so that businesses have reliable access to global markets and aren't reliant on shipping through U.S. ports.

We announced a loan to Nouveau Monde Graphite, another project that's been referred to the Major Projects Office, to enable them to proceed with construction on a critical minerals project outside Montreal. We're working very closely on a number of projects across the Arctic, such as the Grays Bay port and road, which we're supporting with our project acceleration initiative. It provides early-stage capital to these projects to help them become shovel-ready.

Tom Osborne: Thank you.

In terms of the port of Montreal, can you expand on the economic benefit and the number of jobs that will be created from the investment in the project? What does it mean in terms of fiscal advantage and in terms of international trade? What will this expansion do for the economy of not only Montreal but also the eastern region, I guess, and Canada as a whole?

Steven Robins: I'll take your question in three parts.

The first benefit that is coming from this project is the construction. I don't have in front of me the number of jobs that we estimate that construction will support, but \$2 billion-plus of construction will create significant employment for construction trades workers and significant demand for those workers in the greater Montreal area.

The second benefit is around the fiscal benefit that you speak to. The CIB has made a loan that is repayable and charges interest in that project. What that means is that, over time, users of that port terminal who pay charges to get their containers lifted off the ship or to use the port will generate revenue that is used to repay the CIB's loan. Now, the private sector won't provide a loan like that, because the timing of when those ships arrive and how quickly demand ramps up are uncertain. What the CIB's financing is willing to do is be patient in terms of the timing of when that demand growth happens and to be repaid as it materializes. That's what's enabling the project to proceed.

Finally, I want to speak to the broader economic benefits that this project provides. Think about the value of improved container terminals both for Canadians—from an affordability perspective as they think about the ability to access goods and services from global markets—but also for local firms that are thinking about serving the world and diversifying to new markets. They need reliable access to trade and to container ports that have clear delivery timelines and speedy flows and are cost-effective and efficient. That's part of what the Contrecoeur project is enabling. It allows the greater Montreal area and eastern Canada to attract new businesses, to trade with the world and to not rely on using U.S. seaports.

Tom Osborne: What does the risk assessment look like in terms of the port of Montreal expansion?

• (1650)

Steven Robins: It's a significant project. As we think about the risk that the CIB is taking, it's all around the timing of our repayment. What that looks like is that there's going to be a period of time, as my colleague has mentioned, where the container terminal is under construction. It's not earning revenues while the terminal's under construction—there are no users yet. We're willing, unlike other investors, to wait. Then, there's going to be a period while that container terminal ramps up, while shipping lines decide if they should serve Montreal, Halifax or U.S. seaports. As that demand ramps up, that's when our repayment kicks in. As the container terminal fills up, we'll get paid back faster and faster, and as that money comes back, we'll recycle it into other projects that support Canadian economic growth.

Tom Osborne: You've committed \$18 billion to projects across the country, but a much smaller amount of those funds has been

drawn by project proponents. Can you talk about why it takes so long to deploy this capital?

Steven Robins: Absolutely.

We've committed, as you said, \$18 billion, and we've now drawn just over \$7 billion to fund the projects. We do that because, on every credit agreement, we are very disciplined to ensure that we protect the taxpayers' investment, and we flow funds only as construction occurs to those projects. Now, construction of these projects is complicated. They require sequencing of multiple activities over a period of multiple years, and they need to be matched to construction seasons. As my colleague talked about, the wind farm we financed in Nunavut, on an island in Hudson Bay, is an example of a project where being able to catch the spring sealift for essential parts is a critical part of delivering that project to a schedule.

When you think about the projects at the scale we're financing, they typically take about four to five years to deliver. What you're seeing today in the public accounts is a catch-up of the rate at which we are drawing funds from the appropriation—nearing \$3 billion—to the rate that we've been reaching financial close since 2020. That's reflecting that if you start closing \$3 billion a year in 2020, it takes about four or five years to fully ramp up the disbursements to that same rate.

The Chair: Thank you.

That is your time, Mr. Osborne.

[*Translation*]

Mr. Lemire, you have six minutes.

Sébastien Lemire (Abitibi—Témiscamingue, BQ): Thank you, Mr. Chair.

I thank the witnesses for being here with us today.

In the written response to one of the questions that I raised at a previous meeting of this committee, your representatives indicated that the CIB's funding was structured in the form of repayable loans with interest and that, for several quarters now, you have been generating enough revenue to fully cover your operating costs.

However, when we look at your revenue and expenditures on pages 148 and 149 of the Public Accounts of Canada 2025, we see that you have \$131 million in revenue from third parties and \$293 million in expenditures related to third parties.

In 2025, the government gave you a cheque for \$2.9 million, which brought your assets up to \$15 billion. You invested that \$15 billion.

From what I can see, based on the difference between your revenue and your expenditures, you have a deficit of roughly \$150 million. Is that correct?

Frédéric Duguay: I don't have the information from the Public Accounts of Canada in front of me.

With regard to the answer that you were given as a follow-up to the question that you raised in committee, as Mr. Robins explained, since July 2024, the CIB has generated enough returns on its investments, primarily in the form of interest payments and principal payments, to cover its operating costs. That is where we stand in terms of revenue and expenditures at the CIB.

As Mr. Robins explained, we are still receiving appropriations from the government to invest in the projects we finance. These expenditures are rising every quarter as more projects achieve financial close and more projects move into the construction phase. As a result, the government is granting the CIB more appropriations.

Sébastien Lemire: In the same written response, you indicated that 13 of the 106 projects that you invested in over the third quarter were in Quebec. That is not at all in line with Quebec's demographic weight.

How do you explain this low rate of investment? Can you tell me, in writing, the total amounts invested by province and territory so I can see whether Quebec is getting its fair share?

Frédéric Duguay: Mr. Chair, if I understood correctly, the member would like a written answer regarding the amounts invested in the 108 projects to determine how the investments in other provinces compared to the amounts invested in the 13 projects in Quebec in the third quarter. That does not include the Contrecoeur port project that my colleague spoke about earlier. I am just trying to understand whether this is a request for information.

• (1655)

Sébastien Lemire: Yes, it is a request for information. I am not trying to trick you. I just want to know the reasons behind the lower rate of investment in Quebec compared to the investments being made in the other provinces of Canada.

Frédéric Duguay: Mr. Chair, we will provide the information.

The Chair: Thank you very much.

Mr. Lemire, you have two and a half minutes left.

Sébastien Lemire: Thank you, Mr. Chair.

I would like some clarification on another point.

The Canada Infrastructure Bank is going to invest in Build Canada Homes to build housing. However, the government has launched a sovereign wealth fund that has been described as a “gimmick”. I am talking about the Canada Strong fund, which will also invest in various projects. It seems as though a lot of people are being paid to invest in projects spearheaded by the government.

Why does the government need you to grant loans when it can do so itself, as this measure demonstrates?

Here is the question that I want to ask: Is the creation of this sovereign wealth fund for major national investment projects not an indication that the government lacks confidence in the Canada Infrastructure Bank?

Frédéric Duguay: I am not going to comment on the announcement regarding Canada's sovereign wealth fund. However, I can very clearly explain our investment priorities at the CIB. One of those priorities is the construction of enabling infrastructure to ensure that more housing can be built. The CIB is making a lot of in-

vestments in public transit projects, enabling infrastructure and waste water treatment plants, for example.

The CIB works with municipalities and project proponents to make necessary investments in enabling infrastructure so that other Government of Canada agencies, such as Build Canada Homes, which you mentioned, can then build more housing. We are not investing in housing but in enabling infrastructure to unlock projects and create favourable conditions for more housing to be built.

Sébastien Lemire: My region of Abitibi-Témiscamingue generates 10% of the GDP. If we do the math, we see that approximately 2% of the Canadian economy comes from Abitibi-Témiscamingue.

I asked the CIB to send me information on all of the projects that it is funding in Quebec, particularly in remote areas like my region of Abitibi-Témiscamingue. Of the \$18.1 billion, how much was invested in my riding? Because I am short on time, I will answer that question myself: zero dollars. The CIB did not fund any projects at all in Abitibi-Témiscamingue.

Why is the CIB not investing in this region, which is full of critical and strategic minerals and has enormous potential? Why are you not present in a region like Abitibi-Témiscamingue?

Frédéric Duguay: Mr. Robins answered a question a little earlier about the work that we are doing with the Major Projects Office to help many priority projects move forward, including projects related to critical minerals.

To clarify, I have to say that we made a \$400-million investment in the Fédération des transporteurs par autobus du Québec to help bus operators get loans to buy zero-emission buses. This investment applies to all members of the federation, including bus operators in the region of Abitibi-Témiscamingue. They can take advantage of this solution to get a loan. Bus operators in Abitibi are often small and medium-sized businesses that want to replace their diesel buses with zero-emission buses. Our funding helps these operators make that investment and manage the cost of that purchase.

I just wanted to say that it is indeed important to invest in the regions and that we are also making investments across Quebec that benefit many regions.

• (1700)

Sébastien Lemire: Thank you very much.

The Chair: Thank you very much.

We will begin our second round of questions. Five members will be participating, but the time given to each will change a little.

Mr. Deltell, you have five minutes.

Gérard Deltell: Thank you very much, Mr. Chair.

I want to recognize my new and returning colleagues who are here with us today.

Welcome, Mr. Duguay and Mr. Robins. Thank you for participating in this discussion.

I would like to circle back to something my Bloc colleague said earlier. I was actually a little upset when he brought it up because he kind of stole my thunder. I am joking about being upset, of course. The topic I wanted to discuss is the sovereign wealth fund.

The Liberals created the CIB nearly 10 years ago in 2017. Now, today, they are creating what they are referring to as a sovereign wealth fund, which *La Presse* described as a “*patente à gosses*”. I look forward to seeing how the interpreters will render that expression in English. I must admit that I had a lot of trouble yesterday when my leader used that expression, which sums up very well the great mystery surrounding this fund.

Can you tell us exactly what the difference is between the Canada Infrastructure Bank and the “*patente à gosses*”, or gimmick, that the Liberal government just announced?

Frédéric Duguay: The CIB's mandate is essentially to invest in infrastructure projects that are stalled, either because they involve a risk that the private sector isn't prepared to take on, or because there's a funding gap that needs to be filled. That's the type of project we help move forward as part of our mandate. Mr. Robins explained our investment in the Contrecœur project very clearly, for example. We can take a very long-term view and be very patient regarding the return on our investment when it comes to moving forward with a project that has economic merit.

As for the sovereign wealth fund announced by the government earlier this week, I will stick to what was discussed in yesterday's press release, and I won't necessarily go into that here.

Gérard Deltell: I completely agree with you. I just wanted to give you a chance to distinguish between the two. As for the rest, we'll see what it's all about.

Your institution was founded in 2017. We know the COVID-19 pandemic occurred since then, which brought about a new way of working through remote work—a shift intended, in particular, to generate savings on office space. I would like to know what efforts you have made.

I'd like to quote a statement that the member for Markham—Unionville made on June 10:

Mr. Speaker, I would like to acknowledge today's scathing Auditor General's report on the current and future use of office space. The report noted that the Liberals promised to reduce office space by 50%, with \$1.1 billion over 10 years to do so. However, the Auditor General found that the office space reduction will only be 33%.

I'm not the one saying this; it's the current MP for Markham—Unionville, who now sits with the Liberals. He went on to say this:

After years of flashy announcements, all they have are endless broken promises. The report says that it takes six to eight years to dispose of surplus buildings, a completely unacceptable and costly timeline.

I'll say again that that is what the member for Markham—Unionville said less than a year ago. Here's what his clear conclusion was:

As millions of Canadians are struggling to find affordable housing, this latest report confirms just how out of touch and unhelpful the same old Liberal government has been.

I'm not the one saying this; it's the current MP for Markham—Unionville.

Mr. Duguay, have you personally had to deal with the challenges that the Auditor General highlighted?

Frédéric Duguay: To answer your question, I'll give you an overview of the past five or six years. As I explained in my opening remarks, the CIB is an independent Crown corporation, managed by its own board of directors. So, every year, we submit a corporate plan to the minister that includes an operating budget. Within that budget, we essentially outline our expenditures in relation to our growth over a five-year period. The CIB is a corporation that has been growing over the past six or seven years, as I explained. To date, we have invested over \$18 billion in 108 projects. When these projects are in the construction phase, we essentially need staff for asset management, and so on. What we have—

• (1705)

Gérard Deltell: We understand that you have been far more effective than the Liberal government, as the member for Markham—Unionville said. He believes that “millions of Canadians are struggling to find affordable housing” and that “this latest report confirms just how out of touch and unhelpful the same old Liberal government has been.” That's according to MP Michael Ma.

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

[English]

Ms. Yip, you have the floor for five minutes, please.

Jean Yip (Scarborough—Agincourt, Lib.): Thank you.

Thank you to the witnesses for coming here virtually. I would like to return to the work at hand, which is to question the Canada Infrastructure Bank, specifically the bank, and to not make any other comments about fellow committee members.

Since the CIB is not a granting program but rather a lending program, can you explain how the investment structure works and how that is an efficient way to use taxpayers' money and get more infrastructure built?

Steven Robins: I'm happy to start on that question and then go to Mr. Duguay if there's anything he'd like to add.

As you say, the CIB makes investments in projects. What that means is that when we make a loan to a project, it is not an expense of the Government of Canada. It does not show up, as you see, in the public accounts, as that's the amount that's showing there. One of your colleagues asked the question about the revenue, the \$2.8 billion in revenues that we were showing from government appropriations. That reflects the flow of funds from the Government of Canada to the CIB to fund those loans, which are then lent out with interest to various projects across the country.

As those projects proceed through construction, they start generating revenues and operations, whether that is the cost of the wind turbine charges to the grid, the fees that users of a port pay or the fare that someone pays when they tap onto a transit system. We then use those revenues to repay our loan over time.

Over the life cycle of the portfolio, we anticipate getting more money back from those investments than we put out in the first place. What that allows us to do is cover our operating costs and create a flywheel of investment that comes from reinvesting those proceeds over time.

To date, we've now seen over \$600 million flow back from our initial wave of investments to the CIB, which we've been using to offset the requirements for incremental capital from the shareholder. That's what allows us to be a self-sustaining institution that funds \$3 billion or \$4 billion a year in new infrastructure across the country.

Jean Yip: How do your projects help with affordability and more vulnerable Canadians?

Steven Robins: There are a few places where I would point to how our projects help support affordability. One of our biggest sectors of activity is in the clean power sector, where we're financing renewable projects across the country in partnership with provincial utilities.

We partner with a provincial utility to provide a stapled financing offer, a more cost-effective way for wind turbine operators to build wind and solar facilities across the country, which they then sell into grids. That shows up directly in the electricity bills that customers pay, because the cost of the wind being supplied by these facilities is cheaper than it would otherwise be without the CIB's financing.

Another example of how we support affordability is around how we finance the expansion of rural broadband across the country. If you think about the decisions that large ISPs make, they're more than happy to run fibre in dense suburban areas, but as you get further into rural Canada, it becomes more difficult to earn a return. Low-cost financing from the CIB helps extend broadband into more remote regions of the country.

Finally, we think about how we bring clean, affordable energy to northern communities. One investment I'm proud of is our investment in the Inuvialuit energy security project, which is about creating local-source fuel in Inuvialuit on the Arctic Ocean, in the very northern part of the Northwest Territories. What that allows is to save on trucking fuel 3,000 kilometres north from Edmonton, and it results in lower fuel costs for the local community.

Jean Yip: Will any of these projects and, perhaps, some of your greener projects overlap with some of the major projects?

Steven Robins: Absolutely. One example of greener projects overlapping with the Major Projects Office is the early-works investment we made in B.C.'s north coast transmission line. That's an example of a project to ensure that the expansion of B.C.'s clean electricity grid gets to northwestern B.C. It is a project the Major Projects Office has been working with us closely on.

● (1710)

Jean Yip: What are the key differences between your 2024-25 corporate plan and the current 2026-27 corporate plan?

Steven Robins: The corporate plan is a critical tool for aligning the investment activities of the CIB with the priorities of the Government of Canada.

In January, we received a new statement of priorities and accountabilities that sets new long-term sector targets for the CIB and aligns our sectors with the priorities of the Government of Canada.

It established a \$15-billion target for investments in the trade and transportation sector in order to expand and diversify our trade, ensuring that Canada and Canadian firms have access to global markets.

It set a \$20-billion target for clean energy investments—things like the power projects I talked about, as well as investments in hydrogen, clean fuels and the expansion of electric vehicle charging across the country.

It set a \$5-billion target for investments in AI and digital infrastructure.

It also set a \$10-billion target for investments that support new housing development. Think about things like installing water pipes at major development sites to make sure municipal infrastructure can be built ahead of housing, or our investment in things like the REM project in Montreal, which helps connect downtown Montreal to neighbourhoods across the greater Montreal area. You're really seeing the expansion of new housing along that line.

It encouraged us to look at investments in the Arctic—we've mentioned several of those today—and increase our indigenous target to \$3 billion, as my colleague Mr. Duguay mentioned.

That's the 2025-26 corporate plan tabled in Parliament earlier this month. Our 2026-27 corporate plan, which was approved just last week, reflects the shifting of the CIB's investment priorities towards the priorities of the Government of Canada.

[Translation]

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

[English]

Thank you, Ms. Yip.

[Translation]

Next, we have Mr. Lemire.

Actually, I will give every speaker a bit more time.

Mr. Lemire, you will have four minutes.

[English]

Then the official opposition will have seven minutes, and the government members will have seven minutes. You're welcome to split that among yourselves. Then we're going to end this first hour.

[Translation]

Mr. Lemire, you have the floor for four minutes.

Sébastien Lemire: Thank you, Mr. Chair.

I'd like to take this opportunity to respond to your comments, Mr. Robins. You mentioned that you were investing in Internet connections. I'd be curious to know if, over the past five years, you've invested in connections in Quebec.

There was the project to bring high-speed Internet to rural areas, which was funded primarily by the Quebec government and was a major success. As part of this initiative, the federal government directly transferred approximately \$7 billion, if memory serves. The federal government made commitments extending through approximately 2030. This is a prime example of the federal government simply transferring funds to Quebec without conditions. This initiative was a huge success in building rural Internet connectivity. I was elected in 2019, and this was my primary campaign pledge. This initiative came to fruition thanks to the transfer of funds from Ottawa to Quebec, and it was a success.

Now that the Canada Infrastructure Bank has money for Internet connections, has any of that money gone to Quebec?

[English]

Steven Robins: As you pointed to, the Government of Quebec moved incredibly quickly on the expansion of rural broadband and is, in many ways, a leader in the expansion of rural broadband. This means that by the time the CIB's mandate evolved to include rural broadband, those proposals were already well advanced. There wasn't a need for additional financing from the CIB in that case. We've been prioritizing other investments in Quebec.

As you mentioned in your exchange with my colleague, there are 13 projects. By a rough count, I'm sure we're well over \$2 billion, and maybe even \$3 billion, in investment in Quebec. It's a much larger share, since many of our investments are large in Quebec—whether you think about the REM, the port in Contrecoeur or some significant wind project and that sort of thing.

[Translation]

Sébastien Lemire: There is a question I feel is important to ask you, particularly in light of the testimony given here last week by the Auditor General.

You are a Crown corporation, and as a Crown corporation, you are exempt from many requirements that would otherwise require you to disclose information. Could Crown corporations be the government's new way of disengaging? No matter how many questions we may have, you're not subject to the same level of accountability.

Let's take the Canada emergency business account, for example, which was established by Export Development Canada. It did a poor job of recovering money from Canadians. The requirements aren't the same.

As for transparency regarding figures and data, would you be willing to invite the Auditor General to audit your programs and financial records? After all, public funds are your primary source of funding. In my view, this is a matter of transparency. The Auditor General cannot audit your organization in the same way she audits a government department or program. The Auditor General's mandate could be expanded, because many Crown corporations are not held accountable. Since you are considered a Crown corporation that receives public funds, I believe it is necessary for the Auditor General to have access to your books.

Do you agree with me?

• (1715)

Frédéric Duguay: For starters, I'd like to point out that the status of Crown corporations comes with very clear accountability requirements.

As Mr. Robins explained, it starts with the corporate plan. Essentially, this is the document that outlines the operating budget, which has to be approved by Treasury Board.

In addition, all Crown corporations are subject to annual audits of their financial statements as well as special reviews that take place at least every 10 years, under the Financial Administration Act.

There are also other accountability processes, such as being accountable to Canadians and Parliament through the minister and appearing at meetings like this one.

So, there is a very clear mandate—

Sébastien Lemire: Unfortunately, my time is up, but I'm gathering that the answer is no.

Thank you very much.

The Chair: Thank you, Mr. Lemire.

[English]

Next, we have Mr. Stevenson for seven minutes. I understand you want to split the time with your colleague, Mr. Kuruc. I will endeavour to do that, but the weight is on your shoulders. If you're running on, I'm not going to interrupt you. You have three and a half minutes.

William Stevenson (Yellowhead, CPC): Thank you, Chair.

What I read and what you've said.... I'm not exactly sure if I've mixed some of the numbers up here. Can you confirm that you had \$54.6 billion in costs and that \$18 billion is committed? Is the \$18 billion included in the \$89 billion that is left over, which is not part of the 11 completed projects?

Steven Robins: The total capital cost of the projects that CIB financed is \$54.6 billion.

William Stevenson: Is that for 108 projects?

Steven Robins: Yes, that's for 108 projects.

William Stevenson: The \$18 billion is what you have already put out—

Steven Robins: The \$18 billion is the CIB's share of the \$54.6 billion. In that \$54.6 billion, there is more than \$18 billion from private sector investors. There were also funds from other levels of government that flow into these projects.

As an example, we made a loan to irrigation districts in Alberta, where we provided a loan and the Government of Alberta provided a grant into that project.

William Stevenson: In the past, the model was supposed to be that CIB funds were to be leveraging private sector funds, but it sounds like, as my colleague mentioned earlier, most of the leveraging has been with other public sector funds and contributions from other governments.

Can you clarify how much has actually been mobilized by taxpayers versus the private sector with regard to those projects? Do you have that number? You can also always get that back to us later.

Steven Robins: I'm happy to get that back to you, but I'm also happy to take a high-level pass at it.

I can confirm that there is more than \$18 billion of private sector money included in that \$54.6 billion. Furthermore, we also look to identify private sector funding of projects around infrastructure projects we create. Often, the infrastructure that we're financing is the enabling spine for economic development in a region, for example, the investment that we've made in the port of Prince Rupert. It was all about enabling smoother goods flowing from the Alberta industrial heartland to global markets. We're seeing private sector investment there being enabled by that lower cost of trade and smoother trade flows.

We did an independent study, which identified more than four dollars of private sector investment in the wider economy for every dollar that we—

William Stevenson: I'm going to go on a slightly different tangent here. You talked about having a corporate plan and said that the bank is supposed to be operating at arm's length.

Can you outline the safeguards that ensure that investment decisions you guys are making are kept separate from the government's political decisions regarding lending?

Steven Robins: I think my colleague, Mr. Duguay, would be best positioned to answer that question.

• (1720)

Frédéric Duguay: We are an independent Crown corporation established under our own statute. We have a board of directors who are appointed by government. We operate independently from government. Our board is responsible for the oversight of the management, business and affairs of the corporation, which include making investment proposals and bringing them to the board for a decision. There is no political interference.

We are accountable, as I said earlier, to Parliament and the minister. That accountability is exercised in several ways. As was mentioned earlier in this meeting, it's exercised through the corporate planning process.

William Stevenson: I'm going to run out of time, so I'll pass it over my colleague here.

The Chair: Mr. Kuruc, you have a good three minutes.

Ned Kuruc (Hamilton East—Stoney Creek, CPC): I would like to begin my remarks by stating that public infrastructure should strengthen Canadian industry, support skilled trades and keep strategic work here at home. I represent Hamilton. Our steel built this country. We have shipbuilders in Hamilton as well.

My first question is this. The Canada Infrastructure Bank dished out \$8.6 million in bonuses from 2024 to 2025. The records show that 83% of its executives took a bonus, for an average of almost \$200,000 per executive. With 11 projects completed in nine years, do you think that's warranted? Is that good use of taxpayer money?

Frédéric Duguay: That information is set out in our annual report. We are fully transparent to Canadians with respect to our compensation policies and principles in terms of how we compensate employees. That includes a base salary and a performance-based incentive plan for all of our employees. That is benchmarked to our benchmarking group—our reference market—which is generally other Crown corporations and corporations in the public and private sector. We target the 50th percentile—

Ned Kuruc: Thank you for explaining it.

My question was more along the lines of...in nine years, you guys have completed 11 projects. I don't know what the measuring stick for success is. I'm not sure if that is or isn't, but we are public accounts, so we have to take the taxpayers' money into account. That's why I asked that question.

I'll move on to another question. Were you involved in the decision by the Canada Infrastructure Bank to subsidize the construction of ferries made in China?

We have a big shipbuilder in Hamilton. I would have loved to see those jobs go to Hamilton folks. Can you table an analysis that your team did on how many Canadian workers throughout our domestic supply chain lost economic opportunity because of this decision?

Is that something you guys can do? Do you have that report?

Frédéric Duguay: I'll defer to Mr. Robins, who leads most of our impact work, to try to understand what is sought by the member.

Steven Robins: I just want to try to clarify what exactly you're looking for. I think the important principle here is that BC Ferries was responsible for the procurement decisions of where it was sourcing its ships from through an internationally competitive process. BC Ferries, I believe, has attended the transportation committee to speak to this. It made the choice of where those ferries were, on the basis of a number of different factors.

The thing I don't have, to be able to prepare that type of analysis, is an understanding of what—

Ned Kuruc: Did your bank fund it?

Steven Robins: We provided a loan to BC Ferries to—

Ned Kuruc: You provided a loan to a company that outsourced Canadian jobs, when we have several shipbuilders here in Canada. That's my question. You can dance around it—I don't think you are—but you funded it. Without funding, that wouldn't be possible. There are many jobs that don't get funded, but we have to protect Canadian jobs, especially in this economic downturn and especially after 11 years of a Liberal government.

I would like a report tabled by your bank exactly the way I explained it, and I will explain it again. Can you table the analysis your team did on how many Canadian workers throughout our domestic supply chain lost economic opportunity because of this decision?

Before you lend money—I was a broker and I lent a lot of money with banks—you have to look at where that money is going, and you have to look at the company you're going to invest in. I have a very big problem with you guys funding a company that outsourced and took jobs away from Hamilton and the rest of Canada and put money in the pockets of a communist Beijing government.

• (1725)

The Chair: Thank you, Mr. Kuruc. Your time is up.

I'm going to allow an answer. I allowed it to go a little longer, because there was an attempt from the witnesses to try to get to the bottom of what Mr. Kuruc was asking. I'm aware of that, and I'll make it up to the government members.

Mr. Robins, would you have an answer for Mr. Kuruc?

Steven Robins: The thing I would point to is that the \$54.6 billion of infrastructure projects that we financed across the country—and that's the total capital cost—are creating significant economic opportunity in skilled trades across industry and the construction industry. We've estimated that there are more than 315,000 construction jobs supported through that.

On these projects, some of the materials and supplies do come from global suppliers. We are always excited when the project finds ways to increase the supply from Canada, but we also want to ensure that our partners are able to move forward with the project they need and the requirements they have.

The Chair: Thank you.

I'm just going to tease this out a little for Mr. Kuruc.

It sounds like you don't really have the information that he is seeking, which is the impact on job losses. The information was requested, so I'm duty bound to try to get an answer from you. I just want to get an answer that best reflects the situation. It sounds like you don't have that.

If you do and you could present it to the committee, that would be appreciated.

Steven Robins: We have an analysis of the economic impact of the investment in BC Ferries. We don't have a comparison to another hypothetical.

The Chair: Is that analysis something that you'd be prepared to table to the committee?

Steven Robins: Just to be clear, we don't have that analysis.

The Chair: Oh, you don't. All right, then. There you are, Mr. Kuruc.

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

You have a good seven minutes plus, Mr. McKinnon. Do you want to take that time? Are you going to share it with any of your fellow members? If you do, that's totally up to you.

Ron McKinnon: If I start to flail, I'll pass it on to somebody.

The Chair: All right, then. It's over to you.

Ron McKinnon: I too want to talk about BC Ferries.

BC Ferries is a provincial Crown corporation. It is independent. It certainly doesn't answer to the federal government, but many of us were disappointed that they were taking their ferry contracts to China.

However, I talked to Seaspan, which is a major shipbuilder in our community. They're currently in the throes of building two joint supply ships for the navy and, I think, one or two icebreakers for the Coast Guard. They have no capacity to build it, and I think there were some issues with the RFP—timeline issues and so forth. No Canadian firms actually bid on this contract, so I think that, apart from the potential problems with the RFP process, it didn't take anything away from Canadian firms.

I'm wondering if the Canada Infrastructure Bank has any ability to incorporate in its loan mechanism, in its process for approving loans, a process whereby we can encourage to buy Canadian, where we can encourage projects, even if they're executed outside of the country, to utilize Canadian products. Is there any mechanism in the Canada Infrastructure Bank that would support that sort of undertaking?

Frédéric Duguay: Mr. Chair, I'll start, and then I'll turn it over to Mr. Robins.

As a Crown corporation, we did receive the directive earlier in January with respect to the buy Canadian procurement policy framework. In respect of our own procurement as a Crown corporation, the goods and services that we purchase are fully aligned with the buy Canadian procurement policy framework.

That framework doesn't extend to our investment activities with respect to the trade-offs that need to be made in making an investment and dealing with project partners and proponents in terms of the choices that they need to make and the source of the materials that they require for those projects.

We have incorporated some principles in terms of the objectives of the government's buy Canadian policy framework as part of our engagement activities with counterparties and are seeking ways to work with them to incorporate these objectives.

Maybe Mr. Robins can expand on that.

• (1730)

Steven Robins: I'll add two things.

The first is that, when proponents engage with us about their projects, the materials we share with them encourage them to take all available steps that they can take, considering the construct of the project, to find ways to use Canadian suppliers in the course of that project.

When the project comes for investment decision, we do an economic analysis of the benefits to Canadians, whether that is through economic growth, through a cleaner economy or through other outcomes that matter to Canadians. One way that proponents can maximize their score, their return, in this way, is around maximizing the benefits to the Canadian economy by sourcing locally, by delivering long-term benefits growth and those sorts of things.

Ron McKinnon: Thank you.

Mr. Kuruc and Ms. Kusie earlier on indicated concerns about the spending that you do and whether it's bringing good value to Canada. I want to emphasize that really—and I'd like you to speak again on this—you're not spending money. You're loaning money. The money you disburse to these projects is going to come back to us with interest, presumably.

Similarly, Mr. Kuruc indicated that you've completed x number of projects. I don't think it's your job to complete any projects. Your job is to invest properly in proponents. They will be completing the projects, not you. You just have to make sure that the money you loan is going to come back.

Would you care to comment on that?

Steven Robins: Since 2020, we have consistently committed more than \$3 billion per year to new infrastructure projects. That results in something north of eight or nine in total construction that's occurring across the country.

Now, across the country, of our 108 projects, 89 are currently in various stages of construction. What that means is that a project that we financed last year should not be completed today. However,

the projects that we financed four and five years ago are the ones that are contributing to those 11 projects that are completed today, so I would point to the 89 projects that are under construction. We're confident that those, over time, over normal construction schedules, are going to convert into completed projects, and they'll enter into repayment and start paying us back.

We do a disciplined job of underwriting each and every investment to make sure that it's delivering outcomes for Canadians and that it's within our risk appetite and will be repaid over its life. That does require that the projects get completed over time. We look forward to these projects delivering benefits to Canadians, and we're confident they will.

Ron McKinnon: Thank you. I'm going to switch to your corporate plan.

What are the key differences between your 2024-25 corporate plan and your 2026-27 corporate plan?

Steven Robins: One of the major differences is that it aligns the investment areas of the CIB to the priority areas of the Government of Canada. The Government of Canada identifies the priority areas it would like the CIB to invest in, and then the CIB's management, under the oversight of an independent board, sources, develops and approves investments in those projects. There was a step to align the CIB's investment activities with the agenda of the Government of Canada that took place in our corporate plan that was approved in December of last year.

The second is that it reflects the announcement in budget 2025 of an increase to \$45 billion in our appropriation, which is in the 2026-27 corporate plan that was approved last week. That is enabling us to make credible commitments to major projects that will be constructed over the coming decade, to provide the financing necessary to unlock those projects. Today we're at \$18 billion that we've reached financial close on. There's another 10 billion dollars' worth of projects that are currently in various stages of procurement and that will reach financial close as they advance closer to construction. Those are the wind projects that I mentioned to your colleague earlier, which we're supporting in most provinces across the country.

Ron McKinnon: Okay, I think that's my time.

The Chair: It is.

Do any members have another question? I see that Mr. Osborne does.

Go ahead, Mr. Osborne.

Tom Osborne: I do have one question.

I just want to get an idea of... You've completed nine projects, but you mentioned earlier that you have over 100 projects that are in progress that you've funded. There are a couple of things for the folks who are watching. As Mr. McKinnon pointed out, you loan money, and you get that money back. This is not a grant program. However, of the projects you have in the works—over 100 projects—any of those that have actually started are creating employment. Can you talk a bit about the economic impact and the employment impact? Since you were incorporated in 2017, what has the impact been to the Canadian economy?

• (1735)

Steven Robins: We have 108 projects, of which 89 have started construction. Those projects have created economic benefits, GDP benefits, of over \$40 billion in terms of economic growth that comes from the increase in construction activity that comes from building infrastructure. We estimate that it supports over 315,000 jobs. This is as of Q3, in December.

It then has further downstream economic benefits to Canadians. Those could come from a lower power rate that comes from more affordable power, which enables residents to have a more affordable power bill or enables Canadian businesses that use electricity to be more globally competitive. It also has downstream economic benefits in terms of better access to trade. We financed an export terminal at the port of Prince Rupert in partnership with an indigenous community, the Metlakatla Development Corporation. It's about breaking down trains that are coming in from the port of

Prince Rupert and repositioning them to get them onto ships, so that exporters in B.C. and across the west can have better access to global markets. That supports jobs all across the country.

The Chair: Thank you. That's the time.

I want to thank our witnesses for coming in today and for their testimony and participation in relation to our study of the Public Accounts of Canada 2024 and the Public Accounts of Canada 2025.

The witnesses are excused.

We'll come back in about five minutes, in camera.

Thank you again.

This meeting is suspended.

[Proceedings continue in camera]

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