

Liberals tap former RBC exec to be chairwoman of infrastructure bank

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OTTAWA - The federal government is hiring the former chief financial officer at one of Canada's largest banks to help oversee its new infrastructure-financing agency.

Janice Fukakusa is being named the new chairwoman of the Canada infrastructure bank.

Fukakusa retired in January from Royal Bank after a 31-year career at the bank.

She will now have a role in selecting the remaining members of the board of directors that will oversee the agency's operations, as well as the chief executive.

The Liberals plan to have the new agency up and running by the end of the year.

Ottawa is planning to infuse the new institution with \$35-billion hoping to pry three or four times that amount from the private sector for large-scale projects.

But the projects have to generate revenue, meaning they would result in new toll roads or bridges where user fees finance the construction costs.

The Liberals have faced questions about how much risk taxpayers will take on in projects that the bank funds, and how much independence the chief executive officer and the bank's board will have in investment decisions.

The government's designs for the bank will give the ministers overseeing it the ability to approve or reject projects for funding. Cabinet will also be able to easily hire and fire the chief executive and board chair.

A Senate committee report released Thursday called on the government to ensure the independence of the board by drawing on Canadian and international best practices in governance.

The report also raises concerns that the bank could find itself in competition with other Crown corporations, despite testimony from government officials that no federal entity currently fills the role set out for the new agency.

Private investors can't access the investment tools the bank will use to help them jointly invest with the public sector on infrastructure projects, senators on the committee were told by both Infrastructure Canada and the bank's transition office.



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