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• (1530)

[English]

The Vice-Chair (Mr. Jim Gouk (British Columbia Southern Interior, CPC)): I call the meeting to order.

We're here to hear about a follow-up on the study of the air liberalization and Canada airports.

Our witnesses are from the Canada Border Services Agency. Mr. Richard, are you the leader? I'll let you introduce your group. You have a presentation to make, do you? If you could keep that to the usual ten minutes or so, then we'll have a few rounds of questions.

Mr. Pierre Richard (Vice-President, Admissibility Branch, Canada Border Services Agency): Yes, sir, sounds good.

Thank you very much for inviting us to be here today. It's a pleasure to speak on behalf of the Canada Border Services Agency. I'll introduce the members at the table. With me is Claude Béland, who is the director general of infrastructure; Bruna Rados, who is the director of commercial programs; and Paul Dumouchel, gestionnaire de niveaux des services et recouvrement des coûts.

The combination of the four of us I would hope would be able to answer all of your questions.

[Translation]

Thank you, Mr. Chairman, members of the committee.

I welcome the occasion to assist this committee in its understanding of the government's approach to cost recovery for inspection services by the CBSA. I also appreciate the opportunity to explain briefly the agency's legislative authorities and obligations under the various acts that govern our work, and to answer any questions you may have.

I will begin with a quick review of the legislative and regulatory environment in which the CBSA currently operates, and then expand on the requirements and obligations under which Canadian airport authorities are to provide frontline examination space to the agency.

[English]

In 2003, when the federal government merged the personnel and functions from portions of three larger organizations to create the new Canada Border Services Agency, its objective was to improve and accelerate border protection initiatives already in place and to develop strategic approaches to border management that would keep pace with new and emerging threats to Canada's national security.

This transfer brought the total number of front-line CBSA staff to more than 5,000, including customs officers; immigration officers

responsible for ports of entry, detention, removals, investigations, intelligence and immigration control overseas; as well as officials inspecting animal, plant, and food imports; and finally, marine inspection officials.

Though the events of 9/11 underscored our need for a safe and secure border, they also focused our response to a range of challenges that in fact had emerged earlier and will continue to evolve. Terrorist threats, illegal migration, organized crime, and the introduction of previously unknown diseases such as SARS and the avian flu all pose serious threats to our way of life. Now a vital component of Canada's national security policy, the CBSA is dedicated to facilitating the legitimate flow of traffic and trade across a secure and open border, and it plays a critical role in maintaining border security and integrity.

[Translation]

To complete the transition, Mr. Chairman, the federal government also introduced Bill C-26, legislation currently before the Senate, that would formally establish the CBSA and enshrine in law its mandate, powers and authorities.

The CBSA administers over 90 acts on behalf of other government departments and agencies. At all of Canada's ports of entry, the CBSA administers relevant sections of the Customs Act, the Plant Protection Act, the Health of Animals Act, and the Immigration and Refugee Protection Act, to name a few.

Given the scope and increasing complexity of our operations and responsibilities since the transfer in 2003, the CBSA is undertaking a review of all guidelines to harmonize and amalgamate operational requirements of the newly integrated Agency.

[English]

Having said that, Mr. Chairman, I would like to talk about the government's policy on cost recovery because I believe it is imperative that we establish up front the principles that guide the Government of Canada, and the CBSA in particular, in its application of service to Canadians.

Charging fees for services at airports has been in existence for decades. Special service fees used to be assessed for service provided outside the hours fixed by the former Deputy Minister of Customs and Excise, also referred to as outside the core hours of service.

Our cost-recovery approach began as a result of the Treasury Board cost-recovery policy established in 1986. At the time, Revenue Canada, Customs and Excise, like other departments and agencies, developed their policies and guidelines consistent with general government policy but adapted them to specific programs and services.

Essentially, the Government of Canada recognized the general public should not bear all the costs of government services, particularly in cases where a direct benefit is derived from the service. Conversely, services that are in the nature of a public good should be borne by the public in general.

This cost-recovery policy established a consistent framework and an equitable application of fees.

• (1535)

[*Translation*]

The aim of this policy is threefold: first, to promote the efficient allocation of resources; second, to promote an equitable approach to financing government programs; and third, to earn a fair return for the Canadian public for access to, or exploitation of, publicly owned or controlled resources.

Mr. Chairman, although user charges are perceived as a form of taxation, they are, in fact, nothing of the kind. Charges are directly linked to specific benefits that are over and above those enjoyed by the general public. In short, while taxes are used to fund programs for all Canadians, user fees are directed to recovering the costs of specific goods and services from those directly benefiting.

[*English*]

Core service is simply determined by what services the CBSA provides, where we provide it, and at what time. The specific information is provided in the CBSA directory of offices. This is a comprehensive listing of locations where travellers, importers, and exporters may report to CBSA when entering and/or leaving the country. This directory of offices is available on the CBSA website. Any service delivery initiative that is different from what appears in the CBSA directory of offices is not considered core service and is subject to cost recovery or special service charges.

Not every airport receives the same level of CBSA service. Those hours and levels of service provided to airports by the CBSA that are publicly funded are considered core services. Prior to 9/11, more than 200 airports across Canada had some level of customs service, varying from fully staffed, 24-hour operations at most international airports to call-out services on an as required basis at smaller airports.

In the aftermath of 9/11, resources were pooled in a smaller number of locations. It quickly became clear that while this reaction to 9/11 helped to address immediate border security concerns, it did so at the expense of the economic interests of many smaller airports and private and corporate aviation.

In an effort to find an appropriate balance between these interests and enhanced security requirements, we took a second look at affected airports across the country. The end result of this examination was that some airports were reinstated service, while others were reinstated a reduced level of service, and finally, others

did not have their service restored at all. Although we would like to be able to provide inspection services to all airports across the country, Mr. Chairman, it's simply not feasible. The allocation of our resources must be done in the most effective and efficient manner to ensure that our safety, protection, and facilitation objectives are met.

Let me say a few words about examination space. Section 6 of the Customs Act and regulations pursuant to the Immigration and Refugee Protection Act require airport authorities, including owners and operators of revenue-generating crossings, to provide examination space at no cost to Her Majesty. The amount of examination space at all ports of entry in Canada is a direct function of the authority's projected traffic volumes. The authorities formulate their business strategies and investment decisions on forecasts of future traffic volumes.

The legislation and regulations ensure, from an economic perspective, efficient resource allocation by subjecting business decisions to market signals and ensuring consideration of all relevant costs of a business decision by the responsible entity. Linking space requirements to traffic volumes promotes the consistent and equitable treatment of all authorities in all modes of transportation.

• (1540)

[*Translation*]

I would now like to say a few words about user charges.

The costs of services to be provided are determined through the use of the CBSA's standard costing template, a protocol that is applied consistently to determine the full costs of providing border inspection services.

The CBSA's standard costing methodology is consistent with Treasury Board guidelines. While the use of a standardized costing template ensures that the same considerations are taken into account in determining the costs of services provided, the unique requirements and circumstances pertaining to each service request may result in a different cost for the provision of a seemingly very similar service. Some of the key factors that might influence or cause this difference of costing would include the time and distance employees must travel to the airport, employee salary costs, and the number of officers required.

[*English*]

In closing, Mr. Chairman, given the magnitude of service requests that the CBSA receives on a continual basis, we see cost recovery as a viable option that allows the CBSA to fulfil its mandate. The minister fully recognizes the importance and impact of the cost-recovery policy and has asked the CBSA to conduct a review of its core services.

That concludes my opening remarks, Mr. Chair. We'd be pleased to answer any questions you may have.

The Vice-Chair (Mr. Jim Gouk): Thank you, Mr. Richard.

Mr. Batters.

Mr. Dave Batters (Palliser, CPC): Thank you, Mr. Chair.

Thank you very much to the members present from the Canada Border Services Agency. I appreciate your time today. It gives us a chance to ask some questions.

In a little bit, I want to defer to my colleague, Mr. Scheer, probably in the next round, to address some of the issues directly that were in your introductory remarks today regarding cost-recovery measures.

When I saw that you were before us today, I sketched out a couple of questions, and I wonder if you could indulge me.

There was a recent Senate report on border security, and I see that some of your members are border guards—customs officers. One focus of that report, at least in the media, was whether or not our border guards should carry firearms and whether there should be a greater focus on the security of Canada rather than on duty collection.

I wonder if you could comment on your agency's response to the Senate report and what your reaction is to the notion that border guards or customs officials should carry firearms to increase the security of this nation.

Mr. Pierre Richard: I didn't come here prepared to talk about these types of questions, but I will certainly attempt to answer to the best of my ability.

We of course read the report of the Senate with great interest, and in fact many members of the agency appeared as witnesses, including our president, the minister, and many others.

At the present time, I believe the government is considering how best to respond to the Senate report, so I do not have the answer as to what mechanism will be used for that response. However, with respect to your specific question on arming officers, a job hazard analysis of their roles and their mandate was conducted. It concluded that arming the officers was not necessary.

Officers do carry batons and pepper spray, and they also have flak vests—I don't know the exact terminology. So there is a certain amount of protection, but not firearms. It is not our view that they require firearms to carry out their functions.

Mr. Dave Batters: I just have one more question. Another story that we've been considering at this committee—and I believe it came up when CATSA was before us, and they said they weren't responsible, and I believe this may fall within your realm—is that the United States is requesting that Canada share passenger lists for Canadian domestic flights that cross into American airspace.

We're all painfully aware of the events of 9/11 and the fact that regardless of where an aircraft may depart from, if a group of individuals was of a mind to do evil, it really doesn't matter where the final destination is. That plane can go anywhere.

For flights that travel into American airspace, they're requesting that Canada share passenger lists so they can determine whether or not individuals are on a U.S. no-fly list. I'm wondering what involvement your agency would have regarding this issue. If this request was made, would you be the agency responsible for supplying these lists to American authorities? And what's your thought on sharing information with our friends in the United States with respect to passenger lists?

• (1545)

Mr. Pierre Richard: I'll answer the question by addressing the last portion of your question first. As you know, the status quo of how we manage the border is not an option. We cannot try to intercept absolutely everything at the border, whether it be people, commercial goods, etc. We try to enlarge the border—push it out, as we say.

The best way to push out the border is to share information, and as you know, Canada is involved in a number of initiatives with our friends to the south on how to best manage our shared border. One of those initiatives does involve the sharing of information, and we do this with other countries as well. And more and more we will see throughout the world a sharing of information in advance in order for informed decisions to be taken prior to the arrival of people or goods on our soil.

Mr. Dave Batters: Would your agency be involved in this? Do you think it would be a good thing to share this information with our friends in the U.S.?

Mr. Pierre Richard: Given what I came prepared to talk about today, I'll limit my answer to that level. I will not be able to talk specifically about the program you're asking about on the overflight of the United States, but we have a number of programs for sharing of information, advanced passenger information, and information on records of personnel names. I'm not qualified to talk about how it interplays directly with that program.

The Vice-Chair (Mr. Jim Gouk): You have time for one short question, Mr. Batters.

Mr. Dave Batters: Mr. Chair, I actually have a question to you.

When it was decided that the Canada Border Services Agency would come before us—and I thank them for answering the questions—did we have an idea of the scope of what they would discuss? Were we aware that it would be specifically about cost recovery at airports? As members of this committee, were we apprised of that?

In the information I have, it simply says:

Pursuant to Standing Order 108(2), briefing session to follow-up on the Study of Air Liberalization and the Canadian Airports System.

I really didn't have any guidance on what it was. Could you give me some instruction?

The Vice-Chair (Mr. Jim Gouk): It was intended that it be directly related to the airport study that we're doing and the questions that have arisen out of our study. With all due respect, it probably would be beyond the scope of the nature of things you're asking about.

I'm very curious about the things you're asking about as well, but perhaps we may have to invite the appropriate people from CSBA back at another date.

Mr. Carrier.

[Translation]

Mr. Robert Carrier (Alfred-Pellan, BQ): Good day.

Does your agency also provide services at border crossing points between Quebec and the US, similar in nature to the services provided at Lacolle?

Mr. Pierre Richard: The CBSA is responsible for all goods entering the country, that is for land-based ports of entry, shipments arriving at ports, pleasure crafts, trains and so forth.

Mr. Robert Carrier: I have no specific reference point, but it's my understanding that some Americans were critical of efficiency shortcomings at the Lacolle border crossing point. Apparently, they complained that the Canadian government should improve border services at this location. Are you aware of the comments that were voiced?

Mr. Pierre Richard: I'm well acquainted with the Lacolle border crossing point, having used it on a number of occasions. Various comments have been made, but I'm not sure which ones you're referring to specifically. I would mention, however, that our national infrastructure is subject to ongoing review and improvement, based on changing requirements. The Lacolle border crossing point is no exception.

Is the situation at Lacolle perfect? Let's just say that it meets our current requirements. Nevertheless, we will continue to look at ways of improving our service delivery at this and at all other crossing points.

Mr. Robert Carrier: In short, you're saying that you have no specific project planned to improve service at this crossing point?

• (1550)

Mr. Pierre Richard: No, no such a project is being funded at this time.

Mr. Robert Carrier: The Americans have a customs post at the Ottawa Airport. I don't have the exact details and I'm not sure which specific custom services are provided, but the objective is undoubtedly to speed up the process of entering the United States. Do we offer passengers the same service in the United States?

Mr. Pierre Richard: Yes, we do, as part of a pilot project. We are in the process of moving to this approach. Instead of having passengers clear customs once they've landed in a sovereign country, we have them clear customs prior to their arrival. Perhaps you've travelled to Washington for a business meeting. If you have, before crossing the border into the US, you went through U.S. customs on Canadian soil. Had there been a problem of some kind, you would have been turned back while still in Canada, before you even reached the US. The same procedure is followed in the U.S.

In my opinion, this approach will become more commonplace in the future.

Mr. Robert Carrier: Is this type of service offered in a number of cities abroad?

Mr. Pierre Richard: For now, reciprocal inspection services are still in the pilot-project phase.

Mr. Robert Carrier: Where are such services available?

Mr. Pierre Richard: As I was saying, we're still in the pilot-project phase.

Mr. Robert Carrier: I understand. Thank you.

[English]

The Vice-Chair (Mr. Jim Gouk): Mr. Scarpaleggia.

Mr. Francis Scarpaleggia (Lac-Saint-Louis, Lib.): Thank you, Mr. Chair.

I'm just trying to ascertain how the structure works. Essentially, the Border Services Agency includes customs officials and immigration officials.

Mr. Pierre Richard: In fact, the Canada Border Services Agency was born from three legacy organizations. The traditional customs officials were with CCRA; CCRA is now CRA because the "C" came out and they came to CBSA. Immigration officials, about 2,000, came to the CBSA, as well as a component of the Canadian Food Inspection Agency. So there are three.

Mr. Francis Scarpaleggia: So it's your people who do the screening of individuals entering the country, it's your people who screen truck drivers coming across the border at...is it Surrey?

Mr. Pierre Richard: Well, there are 190—

Mr. Francis Scarpaleggia: But the one near Vancouver is Surrey.

Is it the same individual? I go through these ports of entry like other people, but you never pay attention. Is it the same person who does both, customs and immigration?

Mr. Pierre Richard: In fact, we are evolving what we call our port of entry vision. As we speak today, when we are still in transformation, the customs official who greets you with a smile when you're driving across in your car is wearing a customs uniform with a customs badge. If you have a requirement for an immigration official, you will currently be referred to an immigration officer, who wears an immigration uniform with an immigration badge. It's the same thing with the Canadian Food Inspection Agency. However, as CBSA evolves, these three types of officers will all be wearing the same uniform, probably within the next year or so.

Mr. Francis Scarpaleggia: But it's three different officers.

Mr. Pierre Richard: It's three different officers; however, we're beginning now to integrate the training and the cross-training, because the CBSA must be more than the sum of its parts, and there will be much more integration than is currently the case.

Mr. Francis Scarpaleggia: So, for example, at airports you have CATSA officials screening people getting on planes. Then people who disembark are screened by customs and immigration officials within your agency. There are two screening processes going on. I understand you're not responsible for CATSA, but are the screening processes the same?

Mr. Pierre Richard: Absolutely not. We have two very separate requirements.

Mr. Francis Scarpaleggia: For example, take the case of the truck driver entering Canada at Surrey. It seems to me that the situation is really the same as that of the person boarding an airplane at Montreal, for example. For people boarding the plane at Montreal, you want to make sure they're not carrying dangerous weapons and they're not on some kind of list. Similarly, for the truck driver who comes across at Surrey, you want to make sure that he or she is operating above board. It seems to me you'd want to do the same kind of screening. Would you agree?

•(1555)

Mr. Pierre Richard: I'm not an expert on CATSA, but let me tell you what my understanding of their role is vis-à-vis ours.

CATSA focuses on the physical security. Therefore, you mentioned CATSA and lists. I do not believe CATSA uses lists. I think it's really the physical security.

Your examples of the traveller at the airport and the truck driver coming into Canada are two very different situations. With the truck driver coming into Canada, we, CBSA, are interested in that individual, so as you say, maybe there'll be a cross-check with the list, etc. But we're also interested in the cargo he's bringing into the country. That's a whole other process, how we determine how to deal with the cargo that's coming in, whereas for the passenger who is taking a flight, it's really just the physical security of the individual.

Mr. Francis Scarpaleggia: There are similarities, because the passenger has a bag and the bag has to be screened. It seems to me that the screeners should be screening the individual in terms of cues they're trying to pick up in more or less the same way. It seems there are different systems.

Are you sharing best practices? Are there some questions CATSA officials ask that border guards at Surrey don't ask, and why? Obviously, that may be the subject of another appearance by you, but are we converging in some way?

Mr. Pierre Richard: There are a few answers to that question. The CBSA is interested in what is coming into the country from another country. My understanding of CATSA is that they are also interested in domestic flights. If you take a flight from Montreal, destination Vancouver, you will meet CATSA. We are not interested in you if you're flying from Ottawa to Vancouver.

Mr. Francis Scarpaleggia: Yes, but you have to understand my point. If somebody is coming into Canada with an explosive, it's the same issue as somebody getting on a plane with a weapon.

Mr. Pierre Richard: I can assure you that CATSA and CBSA are continuing to meet to discuss and share best practices.

Mr. Francis Scarpaleggia: Sure. Okay.

I understand that in the large airports you have people on the ground and operating 24 hours a day. But what do you do in the smaller airports? How do you screen people in the smaller airports? Are you only open at certain times? What's the difference?

Mr. Pierre Richard: There's a whole menu of things that can be done as we determine the appropriateness of allowing someone to fly into one of those airports. In the smaller airports, the hours of service are generally 8 to 5.

There are various means by which we will determine how to treat the people coming in. For example, if they are members of the CANPASS program—a privilege program for trusted and reliable travellers—our involvement is less than it would be with an unknown entity.

There are certain airports where we may give a verbal clearance, without physically going to the location. For example, if there was a flight coming into a certain airport that was 100% CANPASS, they would call in two hours in advance to say, "We will be arriving at airport X". The officer who receives the call would make a

determination on whether or not a physical interception would be necessary. It might not be. They might decide to let the plane come in. It's all about risk management.

The Vice-Chair (Mr. Jim Gouk): Mr. Scheer.

Mr. Andrew Scheer (Regina—Qu'Appelle, CPC): Thanks.

I just wanted to pick up on a theme that I think Francis was mentioning about the cost-recovery fees you charge the airport. You don't do any sort of security for passengers getting onto an aircraft who might present a risk to it, right?

•(1600)

Mr. Pierre Richard: Correct.

Mr. Andrew Scheer: That's all CATSA. So the function you perform at airports is identical to what you do at border crossings.

Mr. Pierre Richard: The mandate is similar, but the needs are very different. The way we treat postal is different from the way we treat passengers in an airport. There are various processes depending on what's coming in.

Mr. Andrew Scheer: If I were getting off a plane with my luggage after coming back from a trip, or if I were driving through, let's say, the Cornwall crossing, there's little difference in how you would view me. You're going to check how long I was in the U.S., if I'm bringing back any—

Mr. Pierre Richard: Yes, you're correct.

Mr. Andrew Scheer: What are the services being provided to the airlines that you're going after the fees for?

Mr. Pierre Richard: We're providing a service to Canadians.

Mr. Andrew Scheer: Okay, but the air traveller is paying for it.

Mr. Pierre Richard: Yes.

Mr. Andrew Scheer: Whereas if I come through the border at Cornwall, I'm not paying anything directly. I just go through. You don't charge me a fee.

Mr. Pierre Richard: Correct.

Mr. Andrew Scheer: I have some difficulty with respect to going after cost recovery for the airport authorities, especially with some of these after-hours things, say, a charter flight. You wouldn't charge a busload of tourists coming in a fee for going through the border, would you?

Mr. Pierre Richard: You're correct. Perhaps I'll expand on that. You made a comparison between land border and air. There are other modes in which cost recovery is applied.

Mr. Andrew Scheer: That was going to be my next question.

Mr. Pierre Richard: Cost recovery is applied to courier service and ferry service. There are other modes. Where it goes beyond the ability of the agency to provide this service within its current mandate, cost recovery becomes an option.

Mr. Andrew Scheer: You mentioned ferry services. Just as an example, there's a ferry service that goes from Victoria to Port Angeles, I think, in Seattle. Is that one you would charge the...?

Mr. Pierre Richard: No. Some are, but that one is not.

Mr. Andrew Scheer: So there's not really a uniform policy across the board.

I guess what I'm getting at is that one of the things we heard from the airport authorities is that there's a lot of disparity. What's defined as a core service in one airport is not in another airport. So you have a situation where Saint John, I think, was being charged for types of things that wouldn't be charged in other airports.

To me, there doesn't seem to be a rule of thumb, whether it's treating ferry service in airports equally or treating airports within the same grid equally.

Mr. Pierre Richard: You're correct in saying that there can be an appearance of discrepancy. In 1987, when the current policy for cost recovery came into play, we basically at that time stabilized the services we offer across the country. Since then, for requests where additional services are required—extended hours of service, for example, or where there's a direct benefit to an individual or to a group—what they do is they provide a business plan to us. They provide a request: at such-and-such location, at such-and-such time, we would like border officers because of X coming in.

We take a look at that from a feasibility perspective and we try to accommodate where we can. For example, if we have already a core of...I'll use a different word, because we're using "core" in different ways. If we have a concentration of presence in that geographical location, and there is, say, a flight coming in at 7 o'clock on Tuesday night once a month, perhaps that presence can accommodate it. So we do what we can.

In other cases, where the same flight—once a month, Tuesday night, 7 o'clock—is in an isolated geographical region, we cannot accommodate it. We need to fly somebody in or drive somebody in to be able to clear that flight. In a case like that, we have two options: to say no, or to enter into a cost-recovery agreement with the group that wants that service there at that point.

We do try to accommodate if we can, but generally, the expansion of services since 1987 has been conducted through cost-recovery arrangements.

Mr. Andrew Scheer: So it's new flights, anything that goes beyond what was in existence before 1987.

Mr. Pierre Richard: Yes.

Mr. Andrew Scheer: If border services says they can't provide the service, or the airport authority in question says they can't afford to pay the cost-recovery fee, that plane doesn't land, right?

•(1605)

Mr. Pierre Richard: It can land at one of about 200 other locations in the country, but not necessarily in that....

It's a very difficult situation. It's quite a dilemma. The question becomes, are we actually preventing additional flights from coming into the country, or are we preventing fragmentation of the existing number of flights into more locations?

Mr. Andrew Scheer: Or are you just making the cost of travelling higher? Because I think that's the other issue.

You know, there's a law that passengers coming in have to be cleared through customs and immigration. Your department is given the mandate to provide that service. But in the case of airports and some ferries, the complete cost of that is being borne by the airports. That's a departure from...or maybe not a departure, but it's not the way at other types of border crossings.

Mr. Pierre Richard: You say it's an additional cost to the traveller. I would also say that we have a responsibility to be prudent with taxpayers' money as well.

Let's say, hypothetically, a community would like to have a border officer every Wednesday night for a flight that comes in from Frankfurt. That would be good for the community, it would bring a few hundred people, and it would be good for the economy, etc. If we don't have anyone in that location—and that happens an awful lot—we would need to fly somebody in, or drive somebody in, and pay them full wages for a full shift, for perhaps 30 or 40 minutes of work.

That also becomes a factor when we consider it—the feasibility, the operational feasibility, and the expenditure: does it make sense? In some cases, unfortunately, because of the geography and where we are located, it just doesn't make sense from an operational perspective to do so. Therefore, the alternative, as you indicate, is landing elsewhere, or entering into a cost-recovery agreement, and in some cases, the cost may not be acceptable to the operator.

Mr. Andrew Scheer: I can certainly understand that point. I'm just trying to go by some of the testimony we heard from some of the other airport authorities. The example you used is quite rational, but they have some examples where it's part of their day-to-day operation that they're being dinged with cost recovery. It's those areas I would....

Mr. Pierre Richard: On that, I'd just like to point out that we met with the Canadian Airports Council. I believe they spoke to you also. They represent the interests of many of the operators. We agree it's not a comfortable situation for anybody, and what we're trying to do is find a better way. What that better way may be, we don't know yet.

In fact, the president and CEO of the Canadian Airports Council has been asked to sit on the CBSA's advisory council. This is a new body that will meet for the first time this fall. I have also invited him, and he's accepted, to be a member of the border commercial consultative committee, which will give him a voice at two levels within the CBSA so that we can work together to try to find some better solutions.

We are not dogmatic, in the sense that this is the way it is and we're never going to change it. But as we say, there are no simple answers to complex situations, and this is definitely a complex situation. We have agreed to work with them to see if there's a better way of doing it.

Mr. Jim Gouk: Mr. Richard, I have a couple of questions. First of all, you make reference to, both 9/11 and before 9/11, the need for a safe and secure border to guard against serious threats to our way of life, specifically mentioning terrorist threats, illegal immigration, and organized crime.

The threat risk you talked about that was done at the borders is based on the policy that says if there's a serious threat, if there's a violent criminal we know is coming, in essence you allow them through and report it to the RCMP and have the RCMP, who are armed, take care of it. Is that not, more or less, the policy?

Mr. Pierre Richard: Not necessarily, because in fact, depending on the situation, that person may not be allowed into the country at all. There's no requirement for the RCMP to be involved if that person is denied access in the first place, depending on how they're coming in—for example, by flight. But if there is interception at the border of a non-desirable, we will pass that person on to the responsible officials, yes.

Mr. Jim Gouk: At many border crossings, that responsible official is quite often a long way from the border. The policy, I remember, specifically stated by the minister in a previous Parliament, was that they should not endanger themselves but should allow them through and report to the RCMP. Is that correct?

•(1610)

Mr. Pierre Richard: I'm not an expert in that field, but I'm told yes, that is the way it's still being done at the border.

The Vice-Chair (Mr. Jim Gouk): When you analyze the threat risk, there's not a lot of risk if we're not trying to stop these potentially violent criminals we're requiring the RCMP to take responsibility for. We're reducing our threat risk by, if I may phrase it this way, not doing the full job of protecting the safety of the Canadian public.

Mr. Pierre Richard: We're doing our portion of the job.

The Vice-Chair (Mr. Jim Gouk): Yes. I think you've answered that. Thank you.

The second thing is on page 4. I'm curious here. You make reference to cost recovery where benefit is derived from the service.

Is it your contention that when I'm stopped at the border and you're extracting money from me for duty and tariffs and checking to make sure I've been a good boy and am not bringing too many beers back or whatever, this is a benefit to me?

Mr. Raymond Bonin (Nickel Belt, Lib.): If you can get away with it.

The Vice-Chair (Mr. Jim Gouk): Not if they provide the service.

In what circumstance are you providing a service, as opposed to where it's for the general good of the public?

Mr. Pierre Richard: For example, if hypothetically there is a paint plant in the part of the country that requires a flight in of certain products on a regular basis, we are providing a service to that paint plant that is not necessarily a general public interest service but specifically to that operator of that business.

The Vice-Chair (Mr. Jim Gouk): So it's where it's a unique and specific service. That's quite understandable.

Who pays the rent or the cost of all the border facilities at the borders?

Mr. Pierre Richard: Are we talking about airports?

The Vice-Chair (Mr. Jim Gouk): No, we're talking about customs ports of entry at the borders.

Mr. Pierre Richard: Land borders? I might sound specific, but it's because we have many modes, so sometimes the answers can be different.

I'll ask Claude to address this.

Mr. Claude Béland (Director General, Comptrollership Branch, Canada Border Services Agency): We basically have two types of facilities. On those land border crossings that are on non-toll highways or crossings, the facilities belong to the Government of Canada, so they're owned and operated by the agency.

Wherever we have international conveyances being received—at airports, at marine ports, or at ferry terminals—where we have international crossings that charge a toll to users, the facilities are provided to us under section 6 of the Customs Act. We don't pay rent to the airports, or to the Ambassador Bridge, for example, in Windsor, for the border facilities they provide us.

The Vice-Chair (Mr. Jim Gouk): That's more understandable than the old system, where the government owned and operated the airport. Now that the airports are private sector operated and they pay rents for the space they have, does it not seem a bit of a paradox that the government requires them to rent the airport from them, and all the facilities, and then turns around and says, now provide space for one of our government agencies but don't collect rent in return for what you paid for?

Mr. Claude Béland: My understanding is that when Transport Canada owned and operated most of the airports in Canada, we had a similar arrangement with them at the time. They provided us with the space that was required to carry out the port of entry functions at these air terminal buildings. So the situation doesn't change.

The Vice-Chair (Mr. Jim Gouk): What I'm saying is it would be silly for one government agency to charge another government agency so we could shift it in between and run up a tab for accounting in the bargain. Where it's private sector operated and paid for, does that not suggest the possibility that we should be revisiting this to say, what is equitable? If we're requiring the private sector, a private organization, to pay rent for the airport, and then turning around and saying now you have to give us back space that may be other than the space that might have been negotiated at the time the original contract with them was written....

Mr. Claude Béland: I think you can look at the issue in a number of ways. At the end of the day, I think one has to look at it from the perspective that the activities we carry out at airports, or at ports, or at international crossings are activities we have to carry out at the point where people or goods enter the country. There isn't really a market for the services we offer, so there has to be either the legislated arrangements we have in place now or some other form of arrangement that obligates people to provide us with facilities.

If we want to change the approach and have the agency pay for them, that has to be done within a regulated framework; otherwise it becomes very difficult for us to negotiate our presence at an airport when we have to be there. We have no choice but to be there.

•(1615)

The Vice-Chair (Mr. Jim Gouk): It's not that we want to pick on your agency. Airports are under a lot of pressure now for yourselves, for CATSA, and for other agencies to provide space for all of you, particularly when they're building new terminals. They're incredibly expensive, and part of the design and cost has to be the provision of all these different spaces where there is zero revenue.

It's a concern that we as a committee have and that we want to look at closely—not, as I say, to focus on you, but to focus on the problem.

Mr. Claude Béland: Certainly the feedback we get in our dealings with airport authorities as well... I would suggest the activities we have are complementary to the other activities that occur at an airport or at other modes of transportation. In fact, I would suggest to you our activities are integral to the transportation system, regardless of the mode, and you want to be careful about implementing a framework that would disassociate the planning of that infrastructure. It becomes almost impossible I think for this agency to be planning its infrastructure at an airport separately from what's happening at the airport.

The size of our facilities is really a function of the number of passengers who are coming in, as is the rest of the airport and the terminal building or the facilities at another mode of transportation.

The Vice-Chair (Mr. Jim Gouk): Okay. Thank you for coming in today. As you obviously heard, we have a lot of interest in your service and how it integrates all that.

Monsieur Carrier.

[Translation]

Mr. Robert Carrier: Is there time for more questions?

[English]

The Vice-Chair (Mr. Jim Gouk): Yes, sure. I didn't see an indication from you before.

Okay, quickly.

[Translation]

Mr. Robert Carrier: Can you tell me where no inspection services are offered? You stated in your opening remarks that you would like to be in a position to provide inspection services at all airports, but cannot do so because of your limited resources. In terms of land border crossings, it's a fact that people can move freely across the border at some locations.

I'm curious as to the nature of your involvement. Are you totally disinterested in this matter because you are not able to provide services, or do you ensure a minimum level of surveillance, for example, by means of a camera? Do you monitor persons or goods that might enter the country illegally, to help the government make decisions with a view to improving these services?

Mr. Pierre Richard: As a matter of fact, yes. I'm not saying yes to all of your questions, but I will say that there are two different realities: airports and land-based points of entry. The two are quite different.

Paul will correct me if I'm wrong, but there are currently 200 or so airports in Canada where international flights have been cleared to

land. Of course, some airports are reserved exclusively for international flights. So then, close to 200 airports allow such flights to land, but there are many more airports in Canada where overseas flights could potentially land. However, no service is available. At present, there are no plans to increase the number of points of entry for such flights to 300 or 400. A certain level of service is provided and for now, service is satisfactory.

With respect to land-based points of entry, our country is vast and is not enclosed by a gate. We have numerous points of entry and various measures are used to monitor the border. We carry out this task in conjunction with our neighbours to the South. The border is monitored jointly by both countries. We rely a great deal on intelligence to know which locations we should be monitoring. Some points are monitored only randomly, depending on the intelligence received and so forth.

You can rest assured that our efforts extend beyond the visible presence of uniformed men and women on duty at border crossing points.

Mr. Robert Carrier: You provide discreet service at locations that are not physically monitored?

Mr. Pierre Richard: We rely on a whole series of measures, or mechanisms.

Mr. Robert Carrier: Is that also true of smaller airports? You say that absolutely nothing is done from a monitoring standpoint. Nonetheless, is some discreet surveillance carried out at smaller airports that do not have the benefit of officers or services?

Mr. Pierre Richard: Are you referring to airports where CBSA officers are not on duty? Security at these airports is handled by other agencies or services, not by ours.

•(1620)

Mr. Robert Carrier: Do you have...

[English]

The Vice-Chair (Mr. Jim Gouk): Thank you very much, Mr. Carrier. I have to cut you off. If you had indicated earlier, we could have created a bigger window of time for you.

Again, thank you for appearing. It may not be exactly the same group, but I'm sure we would like to talk to your agency again in the future on other border issues as well.

Mr. Pierre Richard: With pleasure. Any time, sir.

The Vice-Chair (Mr. Jim Gouk): Thank you.

We have a notice of motion from Mr. Moore that was presented at our last meeting.

Mr. Moore.

Mr. James Moore (Port Moody—Westwood—Port Coquitlam, CPC): Thank you, Mr. Chair.

Every member of the committee has been given appropriate notice in consideration of this motion:

That the committee report to the House the failure of the Minister of Transport to appear before this Committee for the second time upon the Committee's request.

I know a number of members of this committee have been very frustrated at the transport minister's either inability or unwillingness to appear before the committee, and this is our expression of that frustration. I think it's well-founded, given it's been a very long time since the minister has been here to discuss Bill C-43, Bill C-48, and what his priorities are as Minister of Transport or what his priorities are coming back in the fall.

I've been in contact with his chief of staff, Leslie Swartman, to find out why he can't be here. The excuses they've come up with are frankly unacceptable, and this committee deserves better. This motion is our expression of our frustration.

The Vice-Chair (Mr. Jim Gouk): Mr. Scarpaleggia.

Mr. Francis Scarpaleggia: It's obvious that the opposition has the majority in this committee today.

The Clerk of the Committee: Every day.

Mr. Francis Scarpaleggia: Every day—barring unforeseen circumstances.

My question is for Mr. Etoke. Was the minister's appearance scheduled on two occasions, and did he cancel on both occasions?

The Clerk: Yes. His office did.

Mr. Francis Scarpaleggia: That's not the information I have.

The Vice-Chair (Mr. Jim Gouk): It's a fact.

Mr. Francis Scarpaleggia: In both cases they set a date and then called to cancel.

The Clerk: Correct.

The Vice-Chair (Mr. Jim Gouk): You're building our case, Francis.

Mr. Francis Scarpaleggia: That's fine. I wanted that information.

I'm told the second time the minister cancelled it was because he had a committee of cabinet?

The Clerk: Correct.

Mr. Francis Scarpaleggia: I don't doubt Mr. Etoke's word, but if indeed he has cancelled twice, I'm told that the second time it was because he had a committee of cabinet. I wonder if the members on the other side would consider this extenuating circumstances and if this would attenuate their desire to pass this motion.

The Vice-Chair (Mr. Jim Gouk): Mr. Moore.

Mr. James Moore: No. This is just frankly another avenue to put a little bit more pressure on him.

As we were speaking, I was just going over correspondence that I've had with the minister's chief of staff asking why he can't be there. This was correspondence from June 14, a week ago. She wrote to me that he had events in Quebec City on Monday and a riding event on Wednesday night, so he had to cut out right after question period both days. Then she went on to ask me what specific issues I, as an individual member, had with him and whether or not he and I could hook up and discuss those issues. She went on to discuss what those riding events were.

I can tell you—I've been a member since 2000—that David Collenette was very good at coming to this committee whenever

there was a piece of legislation. He was persistently coming to this committee.

We have Bill C-47, Bill C-44, Bill C-43, Bill C-48, the agenda in the fall, an election coming next spring. There are a lot of things, let alone the hopper car issue, the open skies agreement, which he has made....

Pardon me?

The Vice-Chair (Mr. Jim Gouk): Mr. Bonin has indicated he has to leave.

Mr. Raymond Bonin: Keep talking and you're not going to have a quorum.

Mr. James Moore: My point is, this is just another effort to get more—

Mr. Francis Scarpaleggia: I would just like to pursue this a little bit more.

You were saying...and not because Mr. Bonin has to leave, but in the interests of due process—

• (1625)

Mr. Dave Batters: The question, Mr. Chairman.

The Vice-Chair (Mr. Jim Gouk): We're not going to have quorum, Mr. Scarpaleggia.

Mr. Francis Scarpaleggia: I understand that, but I think these questions need to be asked.

You cite correspondence you had with Ms. Swartman. Was that correspondence related to one or both of two cancellations, or was it just general correspondence trying to nail down a date?

Mr. James Moore: Two and a half weeks ago this committee asked that both Minister Goodale and Minister Lapierre come to this committee. We were deciding who would come on Wednesday and who would come on the Monday. They were going back and forth.

Minister Goodale had already confirmed, so I was asking her which of those two days Mr. Lapierre was going to come. He had cancelled the first of the two weeks, and at the end of last week he said he couldn't come either Monday or Wednesday. She and I were corresponding back and forth as to why that was the case.

Basically, I was trying to give her an opportunity to give me a good reason for why he wasn't coming so I wouldn't have to pass this motion, and the reasons do not suffice.

Mr. Raymond Bonin: I want a recorded vote.

The Vice-Chair (Mr. Jim Gouk): Are you ready for the question?

Mr. Francis Scarpaleggia: I'm just sharing the information I have. Mr. Moore shared the information he has.

My information, gathered from Mr. Etoke, is that there were specific dates on which he was supposed to appear, and he cancelled both times. That's what Mr. Etoke is telling us. Mr. Moore's correspondence seems to be a little more open-ended than that, but I'm told by Mr. Etoke that he has cancelled twice.

The other information I have is that the second cancellation was due to the fact that he was attending the domestic affairs committee of cabinet, and that he had to attend that because I guess he was seeking approval to table the Canada Marine Act, or there was some discussion pertaining to that.

So I understand the opposition's frustration. I'm not sure that I buy the argument that the minister is somehow not respecting or not being sensitive to the wishes of the committee, but as I say, mine is a minority view. That's what I wanted to say for the record.

The Vice-Chair (Mr. Jim Gouk): If I may summarize then, it's my understanding that he has cancelled twice. Once, as you contend, may have been with good reason. The comment added by Mr. Moore was on his attempt to be reasonable and to find alternative dates, which were turned down for a variety of reasons, some of which, Mr. Moore at least contends, were not particularly valid.

Mr. Francis Scarpaleggia: Well, that's his right.

[*Translation*]

Mr. Robert Carrier: I can understand a minister's time being taken up by various duties, but I'm tempted to support the motion, because had he seriously considered the committee's invitation, he could have responded in writing by offering to appear at another time and by explaining why he could not immediately accept our invitation. All we got was a verbal refusal or some such thing.

I intend to support the motion.

[*English*]

The Vice-Chair (Mr. Jim Gouk): Thank you, Mr. Carrier.

Are you ready for the question?

Mr. Dave Batters: Mr. Chair, I have just one quick comment.

The Vice-Chair (Mr. Jim Gouk): If you stretch it out, you risk losing quorum.

Mr. Dave Batters: It's really quick, Mr. Chair, and then the question.

I just want to confirm that we're inviting the minister to appear for two hours, because when we had the Minister of Finance here, a number of committee members, if not everyone, thought he was going to be here for two hours and he was here for one hour. A number of committee members found that unacceptable.

So it's just to have on the record that we're requesting the minister to be here for two hours.

The Vice-Chair (Mr. Jim Gouk): That's not relevant to the motion at hand.

Are you ready for the question?

Mr. Scarpaleggia, you asked for a recorded vote?

Mr. Raymond Bonin: I asked for a recorded vote.

(Motion agreed to: yeas 4; nays 2)

The Vice-Chair (Mr. Jim Gouk): If there is nothing further, we are adjourned.

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