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—
Chair

The Honourable Diane Marleau

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• (0905)

[English]

The Chair (Hon. Diane Marleau (Sudbury, Lib.)): Welcome to the Honourable John Baird, President of the Treasury Board.

It's your first time before this committee. It's not your first time before committees. I'd invite you to introduce the people with you, perhaps, and to say just a few words. I know you've wanted to say something, so go ahead.

Hon. John Baird (President of the Treasury Board): Thank you very much, Madam Chairwoman.

Maybe I'll ask the officials with me to identify themselves, because they've all got very unique titles. At the Treasury Board we have assistant secretaries, not ADMs, so I want to make sure to get them right.

Maybe we'll start with Daphne.

Ms. Daphne Meredith (Associate Secretary, Corporate Priorities and Planning Sector, Treasury Board of Canada Secretariat): My name is Daphne Meredith and I'm the assistant secretary of corporate priorities and planning at the secretariat.

Mrs. Coleen Volk (Assistant Deputy Minister, Corporate Services Branch, Treasury Board of Canada Secretariat): I am Coleen Volk. I am an assistant deputy minister of corporate services.

Ms. Linda Lizotte-MacPherson (Associate Secretary, Treasury Board of Canada Secretariat): I am Linda Lizotte-MacPherson, associate secretary.

Mr. Charles-Antoine St-Jean (Comptroller General of Canada, Office of the Comptroller General, Treasury Board of Canada Secretariat): I am Charles-Antoine St-Jean, Comptroller General.

Mr. David Moloney (Senior Assistant Secretary, Expenditure Management Sector, Treasury Board of Canada Secretariat): I am David Moloney, assistant secretary, expenditure management.

The Chair: You don't have to touch the mikes, by the way. Somebody controls them. It really shifts things if you do.

Mr. Baird.

Hon. John Baird: I'm very pleased to be with you this morning to hear any concerns and to answer any questions and take any issues back to the secretariat and to my colleagues.

I'm joined by much of the senior management team here today. We also have additional officials behind me, should there be any more specific questions on a specific area.

I can tell you we take our responsibilities, as one of the key central agencies, very seriously. We're obviously here to provide accountability in terms of how tax dollars are spent, and I look forward to the opportunity to hear the concerns of members and answer their questions.

The Chair: Did you prepare a written submission?

Hon. John Baird: I have some notes here that I could share, but in the interest of time I'll waive that.

The Chair: You did say you wanted to leave at 10:15. Is that correct?

Hon. John Baird: Yes, I wanted to see if there was a possibility. Bill C-2 is at the report stage at committee, beginning at 10 o'clock, and a number of the members of the Bill C-2 committee—a number of our colleagues—have presented amendments at report stage and I did want to see if it was possible for me to participate in that debate out of respect to our colleagues.

The Chair: We'll see what we can do for you.

Hon. John Baird: Any help would be appreciated, Madam Chairwoman.

The Chair: Thank you.

The first questioner will be Madame Ratansi.

Ms. Yasmin Ratansi (Don Valley East, Lib.): Welcome, Minister, and welcome to your team.

I am new to this committee and I get to ask you the first question. The Office of the Comptroller General was created and I think it was part of the process coming out of the Gomery, or pre-Gomery. It is a very important function because it is an internal audit function, and I see that there has been an increase in the main estimates of about \$14 million, if I am not mistaken.

Could you just explain details of what this will involve? How will this office operate? How many people will that involve? What is the \$14 million for?

Hon. John Baird: I'll just respond briefly and then ask the Comptroller General to elaborate.

The Office of the Comptroller General is not new. Back in the spending reductions of 1995 the office, in some respects, was eliminated, and in other respects was merged with that of the Secretary of the Treasury Board, the senior deputy minister at Treasury Board.

What the previous government started was basically to re-establish it as a stand-alone position. I think many of the resources that it has—basically with inflation—is putting it back to the level that it had in 1993 to a great extent.

I agree with the previous government's decision to re-establish it. I think it's an important component of our capacity to be able to strengthen internal audit and our capacity to be able to catch.... When you have a budget of \$200 billion, no matter who is in government there will be challenges from time to time. Hopefully the Comptroller General will establish processes to minimize that, and there is the function to identify any challenges or problems earlier.

Charles-Antoine.

Mr. Charles-Antoine St-Jean: Yes, thank you very much, Mr. President.

And thank you very much for the question.

Essentially, as the president said, the plan is to rebuild the Office of the Comptroller General to what it was back in 1993. In mid-2004 we started with an office that had a complement of about 60 or 65 people. Back in 1993, with the same parameters, there were about 200 people, so we're at mid-course to rebuild the office. We're at about 120 people now, and the plan is that by the end of 2007-08 we will be back at that strength level.

Essentially, from an internal audit perspective it would be to conduct audits for small departments and agencies. The ability doesn't exist at the moment. Also, it would conduct horizontal audits for the Government of Canada—certain contracts, travel, whatever—and also establish a practice inspection to make sure that we do have quality internal audit throughout the system. That's one of the components of the Office of the Comptroller General that we will do.

Hon. John Baird: I should point out that this an area Mr. Alcock started, and I think it was wise on his part.

Ms. Yasmin Ratansi: I agree.

I come from the internal audit department. I was the risk manager for internal audit in the provincial government, so I understand where you're coming from.

What I need to understand in terms of reporting structure is whether you are directly under the Treasury Board. If you're going department by department, are you going to be creating internal audit units within each ministry? How will that function?

Hon. John Baird: The Comptroller General, as established by the previous president, Mr. Alcock, is a deputy minister rank. It operates out of the Treasury Board Secretariat, and it would work with the chief financial officer of each department. We're not reinventing the wheel; rather, we're just trying to strengthen the wheel in each department.

I'll just ask Charles-Antoine to comment.

Mr. Charles-Antoine St-Jean: Essentially, every department is accountable to put in place that internal audit function; however, there's a functional relationship with the Comptroller General to make sure that the same process and level of quality is executed throughout the system. But every deputy minister in their department

is accountable to put in place the internal audit function so that they can be accountable for the management of their department—to make sure that there's quality control, to make sure we have the right people in place, the right process, and the right tools.

Hon. John Baird: I think, as well, there's always a debate, and this is one thing we're going to weigh with experience. Deputy ministers are, of course, accountable. Now, with Bill C-2, they would be accountable before a committee such as this one.

That said, the Department of Justice acts as the lawyer for every department. That probably goes further than we'd like to go with respect to internal audit, but it's not an all-or-nothing scenario. So I think we're going to watch very closely how it evolves.

I feel strongly that there should be important checks and balances taken from the Comptroller General on each department. Some deputies might find that unwelcome, but there are some CEOs of companies in the private sector who might find some of the increased audit requirements—through an audit committee of a publicly traded company, for example—to be onerous. So the challenges we're having in the public sector really aren't much different from what the companies based in your own riding would be facing on a day-to-day basis.

• (0910)

Ms. Yasmin Ratansi: I'm not questioning that. I fully understand, because it's a risky business. We are in a risky business: we're managing taxpayers' dollars.

Are you the chief internal auditor? Are there managers of audit in every government department who will be reporting to you if they see any risks?

We've seen classic examples. A case in point is Mr. Guité. Can we not have checks and balances in place through a risk management strategy, where you have your managers report to the chief internal auditor, who would be you, so then you can directly report to the President of the Treasury Board?

I'm just trying to conceptualize it.

Mr. Charles-Antoine St-Jean: Essentially, the model at the present is a mix, where we do have a functional relationship with the Comptroller General and a hierarchical relationship with the deputy minister. You have a matrix kind of relationship, so there are some problems. My people talk with the chief audit executive of every department to make sure that when we need to know it, we know it. But at the same time, they are accountable to their deputy ministers.

On top of it, we have audit committees that are being formed at the moment that will be providing the governance to make sure that if there are some problems, they're going to surface.

Ms. Yasmin Ratansi: This is my last question.

Governance is important. On the concept of accrual accounting—and I've seen you a few times with the gun registry, etc.—departments seem to do it on a cash-modified basis and the government does its statements on an accrual accounting basis, and it creates apples and pears.

Can you tell me when you're moving to a consolidated basis and an equal accrual accounting basis? When is it going to happen? How is it going to happen?

Mr. Charles-Antoine St-Jean: Thank you very much for the question.

As I mentioned last time, together with my colleague, we just received the recent study on that issue. We must brief the president to review the various concepts, and this committee—and I believe the public accounts committee—has decided to have a review in the fall so that the president will be able to take a position at that time.

Hon. John Baird: We also received the Auditor General's report, which raises the exact concern, and I think it's something I take seriously and would like to see resolved expeditiously, this fiscal year if possible.

The Chair: Thank you very much.

Madame Thibault for seven minutes.

[*Translation*]

Ms. Louise Thibault (Rimouski-Neigette—Témiscouata—Les Basques, BQ): Thank you, Madam Chairman.

Mr. Baird, I want to thank you and your colleagues for joining us. Some of us have already had an opportunity to get together over the past few weeks to discuss the Auditor General's report, specifically chapters 1, 4 and 7.

I'd like to start with chapter 7 in which mention is made of an audit by the Auditor General of the practice of leasing office space. I discovered, as did my constituents and a number of other people, that inevitably with the existing system and mechanisms in place, the government often ended up choosing the less economical, and therefore, the most costly option. We were dumbfounded by this revelation. The reason is tied to the whole question of accrual accounting as opposed to the cash basis of accounting. Our colleague just talked to us about that issue.

Even though you're waiting to discuss this with your colleagues, I'd like to know your opinion on the subject — you mentioned Bill C-2 — as a responsible, accountable official. In light of the situation, do you intend to commit to bringing in accrual accounting, barring a revelation of messianic proportions?

• (0915)

Hon. John Baird: I took the Auditor General's findings very seriously. We're looking at ways to implement policies in order to do a better job. Obviously, I'm not here to make excuses for the previous government, but the examples cited in the AG's report are very serious.

Why would a department sign a one-year lease rather than a five-year or twenty-year lease? Short-term leases are far more costly. We will work with the Minister of Public Works and Government

Services, Mr. Fortier, to formulate a better policy and to ensure regulatory compliance.

In Montreal, for instance, the minister has indicated that he wants to remain in his present location. However, other office space has already been rented for his department. That's unacceptable. Of course, if several departments could be relocated outside of Ottawa, not necessarily to large cities, but to municipalities with populations of less than 200,000, it would be less expensive. For example, it might be more productive to have employees from different departments working in a region like Trois-Rivières, Fort McMurray, Kingston or Rimouski. That way, they would be more in tune with the goings-on of other departments with regional offices.

Ms. Louise Thibault: You were told by your people that we would be discussing a motion this morning about an ongoing situation, namely the number of federal government employees working in the Outaouais. Currently, 19% of federal employees work on the Quebec side of the river, while the remaining 81% work in Ottawa. Last week, you acknowledged in the House that the ratio should be 25:75.

How do you plan to rebalance the numbers and how quickly can you redress the situation in a timely fashion, given your responsibility over this area?

Hon. John Baird: I believe the actual figure is 21 or 23%, not 18 or 19%.

These figures apply to the actual number of federal employees in the Outaouais. I want to be certain that we're on the same page, because this is an important question.

Ms. Louise Thibault: I can tell you that this is equivalent to 7,000 jobs, more or less. That's a substantial number.

Hon. John Baird: I agree.

I admit that my colleague Mr. Cannon, the Minister responsible for Quebec, and your colleague from Gatineau, have brought this situation to my attention.

I don't have a problem with the 25% target. I agree with the policy. We want to work with PWGSC to determine how best to achieve this objective.

Ms. Louise Thibault: Then you won't encounter any problems if you move fairly quickly to achieve this target?

Hon. John Baird: That depends on the lease term. In the case of a twenty-year lease, it's much more difficult...

Ms. Louise Thibault: I'm talking here about committing to this target. That is the issue, is it not?

Hon. John Baird: Yes. I support the 25% standard. We will submit the figures to your committee and to your colleagues from Gatineau and we will discuss how best to attain the 25% target.

• (0920)

Ms. Louise Thibault: Fine. Thank you.

Hon. John Baird: It's much easier to work on this because the public service is involved. It's much more difficult when we're dealing with Crown corporations because we don't make all of the decisions in their case.

Consider, for example, the RCMP which, by law, must be headquartered in Ottawa. It's impossible for 25% of its workforce to be located on the Quebec side. However, there is no reason why that cannot be the case for public service employees.

Ms. Louise Thibault: You're not implying that laws cannot be amended, are you?

Hon. John Baird: Certainly not. I'm saying there are already regulations in effect respecting the public services and it's important that the government comply with them.

I'm not in a position to make excuses for the former government. However, I do know that my colleagues representing Pontiac and Gatineau will be looking at this issue very closely.

Ms. Louise Thibault: Indeed. Thank you, sir.

The Chair: Go ahead, Mr. Kramp.

[English]

Mr. Daryl Kramp (Prince Edward—Hastings, CPC): Thank you, Madam Chair.

Welcome, Minister.

I would be remiss if I didn't first offer one simple word of congratulation, first of all, from all the prison guards across this country, who are absolutely delighted, after four years of impasse, that they have a resolution. On behalf of the number within my own constituency and across Canada, thank you very kindly for settling that issue.

On another matter, the initiatives that were launched by your predecessor in a number of fields—administrative services being shared, expenditure management, information systems, etc., and other similar programs—have you had a chance to evaluate a number of these initiatives? Do you think your department and/or the ministry will be accepting some of those initiatives that have been started, or will you be eliminating any of them?

Hon. John Baird: I'll say two things quickly, and then I'll ask the associate secretary to comment.

There is the opportunity for some savings with respect to shared administrative services. The government already does a significant amount of this. For example, we don't have a security branch at Treasury Board; we simply share one with the finance department. Since we're co-located, there are huge opportunities there.

I'm always very skeptical of grand designs to make things bigger, as to whether that genuinely leads to savings, so I should say in some respects I'm very, very skeptical.

On the second issue, one of the mandates that I received in Mr. Flaherty's budget is to come up with a good expenditure management system. Since the country was in large deficits, there was so much centralization of expenditure reductions, and then once we got to surplus there really hasn't been a revisiting of that, so decisions are taken very narrowly. What do we do to manage priorities? Simply because something is coming up for renewal doesn't mean it's top priority. There may be something that has received funding that would be higher on the radar screens of all members. So we're looking at a system coming forward some time later in the year to facilitate good decision-making.

I'll ask the associate secretary to comment in greater detail.

Ms. Linda Lizotte-MacPherson: Thank you, Mr. Minister.

There are two parts to your question. I'll address the first part related to corporate administrative services, then I'll ask my colleague, David Moloney, to speak to the expenditure management information system.

Over the last number of years, the government has done a number of significant studies to explore shared services. Essentially, the conclusion from those early studies was that moving to more of a shared approach for corporate administrative services is certainly desirable. So work is currently under way at the secretariat to further scope and access the viability, and then if we were to move forward, to what an implementation plan might look like.

We're working very closely with the policy centres, the Office of the Comptroller General, and with the Public Service Human Resources Management Agency. We're also working with 12 departments, representing about 20% of government, to take a closer look at their current environment, problems, and stand, and then at what might a way forward look like, so some implementation options—

Mr. Daryl Kramp: Do you have any timeframe when you might expect the...?

Ms. Linda Lizotte-MacPherson: We would expect to be going to the ministers with the results of the business case and with potential options in the fall.

Mr. Daryl Kramp: Thank you.

● (0925)

Ms. Linda Lizotte-MacPherson: I'll turn it over to my colleague on expenditure management.

Mr. David Moloney: Good morning.

With respect to the expenditure management information system, if that's what the second part of the question was about, this is a project in two parts. First, this is a project that goes back four or five years. The project was designed to replace the information systems that the secretariat uses to prepare the estimates documents for the House. There is a system, in all cases thirty or more years old, for each of the main estimates, the supplementary estimates, the warrant reports, and a variety of other systems, for a total of seven systems.

So we have a project to replace that capacity with current functionality through one integrated system. As we do that work, and as the estimates themselves have been improved, so that members will know that the estimates, starting in 2005-2006—aligned with the votes outcome statements, the reports on plans and priorities, and the departmental performance reports—are going further to align results statements before and after the year.

What we are now looking at through this project, as we modernize our information system to present the estimates to be able to align them with spending in our system, department by department, to align the results that spending is in support of.... This should allow us to support the renewal of the broader expenditure management decision-making system, so that the government is in a position to come to Parliament able to align its spending and make decisions in that respect.

Mr. Daryl Kramp: Okay, thank you.

Mr. Minister, what has disturbed parliamentarians on all sides of the House—and we've seen this through successive Parliaments—is the lack of the ability of members of Parliament to vote on issues. In other words, there are some issues that never come before the House; decisions are reached outside of the purview of the House.

We realize that everything can't come before the House. However, pertaining to grants, contributions, and all the different programs, which are involved in that, what's subject to a vote and what's not? And where do you plan on going there?

Hon. John Baird: I think I'll make some top-of-line comments, then I'll turn it over to one of my colleagues.

I think that Parliament's genuine oversight and capacity to both appropriate and hold the executive branch accountable are a huge concern. We have a system that's based on parliamentary tradition that perhaps, when you look at a \$200 billion budget, doesn't give effective oversight. The Auditor General speaks very strongly to this in one of the chapters of her most recent report, and it should be of great concern to all of us as members of Parliament.

Linda, who would be best to...?

Ms. Linda Lizotte-MacPherson: I think probably David.

Mr. David Moloney: The secretariat under past presidents, and we hope under the current president, has planned to launch a dialogue with parliamentarians about the quality of the information that's contained in the estimates. Accrual appropriations is one element; timeliness is another, which secretariat officials have been talking about in the past. The very basis of votes, including the pros and cons of different structures of votes, is another element about which we would hope to be able to come before parliamentarians and consult with in detail.

There are pros and cons around all of these, and striking a balance that suits Parliament as well as is practicable for us, we want to pursue.

Hon. John Baird: Information is really power in this regard, and the proposal in Bill C-2 to establish a parliamentary budget officer really gives the capacity to individual members of Parliament and to a committee like this one to be able to hold the government of the day accountable. It's awfully difficult when you've got one member of Parliament, or even one committee, against a \$200 billion corporation. So we hope that will provide greater oversight, but I think it's a fair comment, your concern.

Mr. Daryl Kramp: Thank you. In the interest of your other commitments, I'll hold further questions.

The Chair: You're also over your time limit, so you're very generous with the time you don't have.

Some hon. members: Oh, oh!

The Chair: Madame Nash.

Ms. Peggy Nash (Parkdale—High Park, NDP): Good morning, Mr. Minister. Thank you for coming to our committee this morning. And welcome to the rest of the delegation.

I would like to ask you first about the responsibility of Treasury Board for accountability and ethics in government. I know, Minister Baird, you have spoken out quite strongly on the issue of accountability and the Federal Accountability Act, both before and after the election. I asked a question last Friday in the House about the creation of the appointments commission, a commission with real teeth to deal with government appointments. This was, of course, a campaign promise for the Conservative Party.

Does the government intend to go ahead and set up a public appointments commission?

● (0930)

Hon. John Baird: There was, as you know, the beginning of the establishment of it, in terms of a public servant who would work within PCO, the Privy Council Office, with regard to it. I think the Prime Minister has expressed publicly, and I would simply repeat this, that he was tremendously disappointed with the committee's evaluation of the incumbent, someone who he and I believe was of great standing and prepared to do it for a dollar a year, someone who was voted the most well-respected CEO in the country. I think he has real concerns about his capacity. Could he really ask the second most well-respected person to come forward and go through the kind of process that he did?

I recognize, Ms. Nash, we have a difference of opinion on that.

Ms. Peggy Nash: Is he going to go ahead and set up a commission, though? Is he going to go ahead—

Hon. John Baird: There is the capacity within PCO, which has been beefed up, with respect to being able to provide greater oversight for the Prime Minister and the cabinet in terms of the selection of candidates, but I don't have anything to add to what the Prime Minister has already said publicly on that issue.

Ms. Peggy Nash: So there's no intention to consult with the parties about bringing forward further names for the commission?

Hon. John Baird: Depending on how Bill C-2 comes out of the House of Commons and the Senate.... Your member, Mr. Martin, with the support of other members of the committee, was quite rigorous in establishing a process in legislation and statute rather than by regulation. So we'll wait and see how that comes out of the report stage and the Senate.

Ms. Peggy Nash: We were quite pleased when the members of your party on the Bill C-2 committee in fact supported a more rigorous appointments commission, so we would expect that would get the support of the government in implementing those recommendations once the bill has passed.

Hon. John Baird: Your point is well taken.

Ms. Peggy Nash: I want to raise another issue, on correctional workers. My colleague raised an issue around correctional workers. I don't know if it's the same issue, but an issue came up in my riding about danger pay for correctional workers.

There's a detention facility within my riding, and there was quite a lot of public concern when danger pay was taken away from the guards in that facility. There are people in that facility who have been convicted of many serious offences, some of the most serious offences, and there's a lot of public concern about this facility in our community, given that this is a neighbourhood of many families, schools, and child care centres in the area. Last summer the issue was very public around the correctional workers being denied danger pay for looking after the residents in this facility. I'm wondering if you can help us with that.

Hon. John Baird: My assistant deputy minister tells me it wasn't taken away. I think the correctional officers went more than four years without a contract. Like any collective agreement process, I suppose, there's probably a little bit of blame on both sides. Certainly, solving that issue was a priority for me.

I had heard from you and a number of other members of Parliament, not least of whom were in the government caucus, and we wanted... I had two questions from the Bloc Québécois in the House on it; it had gone on far too long and it was not a healthy work environment. I think when there's a fresh face brought in, of any party, it sometimes is an opportunity, and we tried to take advantage of that.

I think they're still voting on it. I'm not sure if they passed it yet, so I don't know whether I want to say more.

• (0935)

Ms. Hélène Laurendeau (Assistant Secretary, Labour Relations & Compensation Operations, Treasury Board of Canada Secretariat): Good morning.

Simply to clarify, the danger pay has not been taken away, but in the last PSAC agreement the wording was clarified to make sure that everybody understood how it was applied. It had caused a bit of grief because the clarification had the effect that was desired, which was to make sure it was applied systematically all across the 54 institutions. By doing so, there are some people who had the impression that it had been taken away, while in fact it's the interpretation that got streamlined.

Hon. John Baird: If you need to follow up, we'd be happy to get more information for you if your constituents have any concerns.

Ms. Peggy Nash: Okay. I think technically that's correct, that the danger pay still exists, but it is so restricted in its application that the people I'm referring to are no longer entitled to it. They were receiving it and they are no longer receiving it. Would that be correct, in your view?

Ms. Hélène Laurendeau: Some of them may, but the vast majority maintain the same interpretation all across the country. But there are some people, individuals, who had danger pay taken away, that's correct.

Hon. John Baird: If you have any specific examples concerning your constituents, I'd be very happy to look into it.

Ms. Peggy Nash: Thank you.

The Chair: Mr. Holland.

Mr. Mark Holland (Ajax—Pickering, Lib.): Thank you very much, Madam Chair and Mr. Minister, and all those who have come today. I appreciate the opportunity to pose a couple of questions.

I wanted to start off, if I could, with the notion of a public service commissioner and this notion of Gwyn Morgan being rejected by the committee. I can say that just as the Prime Minister was disappointed in the decision of this committee, it would be fair to say that I was disappointed in the results of the election. The democratic processes are democratic processes, and one recognizes that you don't always get what you want through those processes but you respect them.

The question at the end of the day is what is the view with respect to committees then, in a broader sense? I mean, if a committee strikes down a particular recommendation and says democratically, through multiple parties, that a certain individual is not who the committee thinks is right for the position, is it then standard practice to not care what the committee's position is and to appoint somebody else?

I'm trying to understand the logic for it. I understand that he was disappointed. He was a friend and somebody he had a long-standing relationship with. I'm sure he wanted him there. But through a democratic process, the committee said no, and then to simply eliminate the position because you didn't get the person you wanted... I'm trying to understand the logic of that. Is it not more important to work with the committee and find somebody who can build consensus?

Hon. John Baird: I think that has been the standard process, to ignore what the committee says. Certainly it was the process with Mr. Glen Murray, of course, and your government. We heard those same concerns expressed by members of the now official opposition when it happened.

If you can ask a political question, I can give a political answer.

Mr. Mark Holland: But I'm asking you because I heard, and you bring up the example, there was much hue and cry—

Hon. John Baird: Different standards—

Mr. Mark Holland: Perhaps I could finish.

There was much hue and cry by your particular party about the fact that the committee wasn't listened to during the last Parliament. So you say one thing when you're in opposition, and when you come to government you say, "Well, you did it, so it's good enough for us."

That's seems like a rather cynical response. I mean, if you had one position in opposition, why is that position not being carried forward in government?

Hon. John Baird: I think it was. When Mr. Murray was appointed, the committee—I think even the House—voted no and the Liberal Prime Minister went ahead and did it anyway. This committee voted no with respect to Mr. Morgan, and he didn't appoint him.

So I think he was actually doing what he said he would do.

Mr. Mark Holland: No, he withdrew the entire position. He basically took his things and went home. I mean, it works. Now we don't have anybody in that position, instead of trying to work collaboratively with the committee.

I simply draw the point. I'm very disappointed that we're not moving forward with the position. I think it's a worthwhile position. It's something I certainly would have supported.

I'll just leave it with the point that I think it would be much better, rather than to walk away, to have tried to work with committee to—

Hon. John Baird: Your new-found enthusiasm for working with parliamentary committees and that of the official opposition is noted. We did work with the New Democratic Party at committee to strengthen the public appointments commission, and actually put in statute the various processes that do require one of the amendments that the New Democrats put forward, which we approved, to give calls for consultation prior to making some appointments.

So I think it's a work in progress. We didn't withdraw the portions of Bill C-2 in that regard. In fact, if anything, they were strengthened by Mr. Martin.

● (0940)

Mr. Mark Holland: Staying in practice for opposition is very good and criticizing is good, but by the same token, I think it's important to move forward. I can say that in the last Parliament, as vice-chair of the public accounts committee, I spent a great deal of time trying to improve the power of committees. I'm disturbed at any level when committees are essentially either ignored or brushed aside and it's said that their decision is not important and we're going to walk away.

Hon. John Baird: I'm going to review Hansard to see if I see—

Mr. Mark Holland: The other issue that I wanted to talk about is the issue of a centralization or a decentralization of jobs. I know that a number of your members in the opposition had criticized the previous government because there was a feeling that jobs should be moved out of Ottawa into other regions of the country and decentralization should occur. I certainly recall every Friday this issue raised by Conservative members, that decentralization must occur, and it was extremely important.

I'm just wondering what your position is on decentralization and moving jobs from Ottawa to other regions of the country, and if you would share the sentiments of your colleagues when they were in opposition, and if that's something this committee can look forward to.

Hon. John Baird: I think one of the things for which I have an important responsibility as President of the Treasury Board is to stand up for the public service as an institution, for individual members of the public service. I think there has been a concern that governments have made political decisions, not public administration decisions, in the past.

Under Mr. Mulroney, my tax return was processed in Ottawa, my federal and Ontario income tax return was processed in Ottawa. Other Ontarians have their tax processed in the riding of Sudbury. There was a decision taken by Mr. Chrétien to move that to Shawinigan. Now, I'm not sure of the public policy and public administration rationale for moving one of the Ontario tax processing centres from Ontario to Shawinigan, but with no disrespect to Shawinigan, I think that was a political decision.

One candidate in the last election said that he had got the minister to approve moving jobs from Ottawa to Gander. I just find it strange that after a judge issues a major report calling the government corrupt, after the members of the House of Commons have voted non-confidence in the government, after the government has fallen, the Prime Minister resigns, and Parliament is dissolved, the

government is making decisions about public servants' lives based on politics.

So I think what I've said is that if there's a public administration and public policy rationale, that should be fairly considered, but it's not appropriate to play political games with the lives of public servants.

I'll just continue. Bill Casey has brought up the issue that under the previous regime—which had to make some difficult decisions to balance the budget, and I don't discount that at all—on a percentage basis, there were more cuts in the regions than there were here in Ottawa. When the government was then upsized, when there was a surplus, they upsized it in Ottawa and not in the regions. I think it's a fair concern that we should treat people in the regions and centrally here in Ottawa fairly.

Mr. Mark Holland: Does that mean you're favouring decentralization?

Hon. John Baird: I've said if there's a public policy rationale—

Mr. Mark Holland: On a go-forward basis, there's a lot of history there, but I'm interested in going forward.

Hon. John Baird: If there's a public policy rationale, it should be considered and weighed.

We heard in another committee—I sat at the Senate committee last night—that the previous government moved the Canadian Tourism Commission to Vancouver without considering official languages, and that raised a huge amount of concern.

The Chair: I'm going to throw in a little correction to some of the statements you've made, because I've lived in Sudbury now for a very long time. I happen to know that the tax data centres in Sudbury and Shawinigan were created at the same time. I believe that was done by a Conservative prime minister. They were both established under Joe Clark. They had been promised under a Liberal prime minister and there had been a number of them promised, and my understanding is that only two survived: one was in Shawinigan and one was in Sudbury, and that was in 1979.

So whatever has happened since has been more a case of utilizing what's already in place. I just wanted to make that little correction.

Hon. John Baird: Up until 1996, Ottawa—area code 613—or eastern Ontario tax returns were processed at 100 Heron Road in Ottawa, and now the envelopes are sent to, and the processing takes place at, Shawinigan.

The Chair: That's a different issue completely, though. It's more about using what you've got. At any rate, I just thought I'd throw in that correction.

Mr. Wallace.

● (0945)

Mr. Mike Wallace (Burlington, CPC): Thank you, Madam Chair.

I'm glad that when we started at this committee you explained that it was one of the least partisan committees.

Some hon. members: Oh, oh!

Mr. Mike Wallace: I'm going to go back to that, because I'm trying to learn as a new member. My questions are on the actual estimates.

One question I have is that the estimates that were tabled were the previous government's spending commitments, I believe. Hopefully I have that correct. When will we see what our government is spending, and how that changes from previous estimates?

Hon. John Baird: Do you mean the supplementary estimates we will table in the fall?

Mr. Mike Wallace: Yes. When does that happen?

Mr. David Moloney: They will be tabled in October. They will be voted on December 8.

Mr. Mike Wallace: And that's for this year's spending?

Mr. David Moloney: Yes.

Mr. Mike Wallace: So by the end of the year, we'll be approving this year's spending? Is that correct? Is that a good process?

Hon. John Baird: No. This is something that has gone on for many, many years. It wasn't an issue with the previous governments, but an issue for many, many years or decades, where the estimates were prepared by Treasury Board and the budget was prepared by the Department of Finance, and the estimates don't match the budget. In other jurisdictions, the province of Ontario, for example, they integrate that process, so when the estimates are tabled within two weeks of the budget, they actually reflect what was in the budget.

I don't know why this has gone on; it went on under Conservative governments and it went on under Liberal governments. It does not lead to the best accountability, and I think it's something we should look at.

Mr. Mike Wallace: So you at least have an intention of maybe trying to fix that?

Hon. John Baird: I certainly identified it early on as a fair issue.

We talked about accountability and providing this committee and the public accounts committee with the opportunity to scrutinize the estimates. I haven't had a single question on the estimates here.

Mr. Mike Wallace: Well, I'm working on that.

Hon. John Baird: Why would you, if they're not about the current government? I think we'd strengthen Parliament; that would be one of the things I would certainly raise with my colleagues.

Mr. Mike Wallace: I'd be happy to support you on that.

On these estimates that we have to work with, there was basically a 5.3% increase in spending to \$205 billion—which is still hard for me to get my mind around, but I know I will eventually.

What is our expectation in terms of the change in that number, when we get the actual spending estimates for this year? Do we expect it to be about the same?

Hon. John Baird: Yes, it will be 5.3% in October.

Mr. Mike Wallace: Okay.

I'm also having a hard time—and I've talked about this before—understanding what in vote 5 is determined to be emergency or urgent. I don't get it. In the world I've just come from, you set up

your budget, you live by it, and there is no slush fund that you can come and ask for more money from during the year. I don't get it.

Hon. John Baird: It is a fair concern. Some have referred to it as a slush fund, but I wouldn't use that name. It allows us to deal with contingencies during the year and to have some sort of parliamentary authority until the supplementary estimates are passed. For example, last year the supplementary estimates were not passed because the government was defeated.

Mr. Mike Wallace: Right.

Hon. John Baird: But I can give you some examples. I did table in Parliament—and I have a copy here, if you'd like it—what it was spent on last year.

So you can see the very nature of it, I'll give you some examples. There was an advance one year for the Canadian Food Inspection Agency to deal with the BSE crisis. There was an advance one year to deal with the SARS crisis. There was an advance one year to deal with CIDA international assistance with respect to the tsunami. There was an advance last year, again to deal with mitigating the BSE crisis. So it does allow us some capacity to deal with those things.

Mr. Mike Wallace: Right.

Hon. John Baird: Having said that, there are other examples that are not as solid as the ones I gave you.

Mr. Mike Wallace: Right.

The number here, if I'm reading this correctly, is \$469 million. Is that correct?

Mr. David Moloney: The TB vote 5 is in fact set at \$750 million a year.

Mr. Mike Wallace: Yes, but some of it is.... The ones under urgent grants or contribution payments, the number is \$469 million. Is that regular spending we're doing there?

Mr. David Moloney: If I might, the key issue is that Parliament votes specific amounts for specific uses, and while the member's statement about the government needing to live within a budget or an overall budgetary framework is very wise counsel, the government is not free or at its leisure to move the moneys within that framework back and forth between votes. That is the crux of the issue of why, should we decide a need is more urgent, if there are not sufficient funds available within a specific vote, we would need to come back to Parliament through supplementary estimates. But a need such as forest fires or SARS or BSE might cause the actual spending to have to be brought forward.

• (0950)

Hon. John Baird: I did table in the House, and I'd be happy to give you a copy from the Governor General's warrants, what vote 5 was specifically used for. Do you have it?

Mr. Mike Wallace: Yes.

Do I still have a few minutes?

The Chair: Yes, another minute and a half.

Mr. Mike Wallace: I probably shouldn't have used the word "slush fund"—the reserve fund. Does the reserve fund have a limit to it?

Hon. John Baird: It's \$750 million.

Mr. Mike Wallace: That is a budgeted limit.

Hon. John Baird: That's hard.

Mr. Mike Wallace: So once we use that up, it's all gone.

Hon. John Baird: In order to get Governor General's warrants, you actually have to draw down all your votes. The previous government did two Governor General's warrants. Understandably, we did another two after the election. So those have to be drawn down before you can go to the Governor General. You have very narrow circumstances where you can go to Governor General's warrants.

Mr. Mike Wallace: Based on that comment, when we had the Governor General's warrants because of election time, was there anything in there you were not happy with, after reviewing? Because obviously it's already spent.

Hon. John Baird: To my knowledge, I didn't see anything by the previous government or current government that...I wouldn't say I was not happy with, because I think we all bring our different perspectives to the table, but I didn't see anything suspicious. It all looked fairly straightforward.

Mr. Mike Wallace: Okay, thank you.

The Chair: Thank you.

Monsieur Bonin.

[Translation]

Mr. Raymond Bonin (Nickel Belt, Lib.): Thank you, Madam Chair.

Minister, colleagues, thank you for coming here today.

[English]

Mr. Minister, I was pleased to hear your comments about the regions, that we need to support the regions more. I encourage you to decentralize a bit and continue the work that was done with FedNor. When the Liberals took over in 1993, FedNor had \$8 million a year. They now have \$50 million a year. This needs to continue in support of your position to take care of the regions.

My question is about political activity. Senior management should not get involved in partisan politics. I think that's an accepted thing in Ottawa.

During the Airbus affair, Chuck Guité was identified as the Conservative crony, and proof of that is on page 343 of the book *On the Take*. Then the sponsorship scandal was identified, and it showed Guité as the Liberal crony now, even though he dealt with Brault, a known separatist; Coffin, a definite Conservative; and Corriveau, a definite Liberal.

What is the procedure in senior management to control political activity by senior management? This one has been going on for 15 years. How was he able to get away with that? Your colleagues identify Mr. Guité as a Liberal, in the House, outside the House, everywhere. What is the procedure to control political activity in senior management?

Hon. John Baird: I would take exception. Justice Gomery—

Mr. Raymond Bonin: No, I'm asking you about the procedure.

Hon. John Baird: I would take exception to the premise of your question. I don't think it would be fair to suggest that Justice Gomery, after hearing 100 or 200 witnesses.... He's a judge. It was a judicial inquiry held under the Inquiries Act. I think it would be wrong, false, even malicious to suggest that Justice Gomery and Stevie Cameron are in any way, shape, or form parallel in their conclusions.

Mr. Raymond Bonin: I didn't suggest that.

Hon. John Baird: Yes, you did. You quoted a particular page from Stevie Cameron, and then you quoted Justice Gomery's report.

Mr. Raymond Bonin: No, I quoted a page of a book that was written on the Airbus affair, which was never properly investigated with an inquiry—

Hon. John Baird: Why didn't your government call one?

Mr. Raymond Bonin: —but the sponsorship scandal was.

The question is about political activity among your senior bureaucrats.

Hon. John Baird: You can't make a malicious comment and then ask a question and expect that I'm going to respond.

Mr. Raymond Bonin: I stand by my comment, and I'm asking you if you will respond to my question about the procedure to deal with political activity in senior management. If you don't want to answer that question, that's fine, it won't be answered and we'll move on to the next questioner.

Hon. John Baird: I'm going to respond to your statement. If the previous government thought there was ample reason to call a public inquiry, they had 13 years to do so.

Mr. Raymond Bonin: No, they didn't. They didn't call an inquiry. Mr. Mulroney didn't call an inquiry.

My question is simple. If you don't want to answer it, we'll move on.

Hon. John Baird: Sir, you get to ask the questions, and I get to respond.

Mr. Raymond Bonin: Madam Chair, we can move on to the next questioner.

Hon. John Baird: No, I want to respond. You can't make a malicious comment, sir.

The Chair: Perhaps you should allow him to say something.

• (0955)

Mr. Raymond Bonin: That wasn't the question. I didn't open the door for you to attack Gomery or anybody else.

Hon. John Baird: You made a malicious comment, sir.

Mr. Raymond Bonin: No, I did not. I said a fact about page 343 of the book *On the Take*. That's all I did. I quoted that book. So don't change it, as you do all the time. That's why I want you to stick to the question. You always deviate so that people address the answer. The question is simple.

Hon. John Baird: I do know that the Liberal government had to pay Brian Mulroney \$2.1 million and apologize to him for malicious actions.

Mr. Raymond Bonin: How do you deal with political activity by senior bureaucrats?

The Chair: Order. That's enough—on all sides.

I think we should go on to another question.

Monsieur Sauvageau.

[*Translation*]

Mr. Benoît Sauvageau (Repentigny, BQ): Am I up now, or are we dealing with a point of order?

Before I begin, I'd just like to point out that it's rather difficult for the interpreters to do their job when two people are talking at the same time.

The Chair: You're quite right.

Mr. Benoît Sauvageau: Good morning, Mr. Baird. Thank you for joining us and thank you for your brief presentation, and for the opportunity to ask you some questions.

I'll get right to my first one. In a few moments, we will be debating Bill C-2 in the House. Since this is the Standing Committee on Government Operations and Estimates, if Bill C-2 is adopted, what is it going to cost us to enforce the legislation?

[*English*]

Hon. John Baird: Accountability is genuinely priceless. I think there will be costs. For Bill C-2, Mr. Flaherty has some funds in his budget. I'm cautious about saying how much we have budgeted for each and every element because we're going to try to contain it to an absolute minimum. There is a price for accountability. It has been public that we had allocated in the budget.... The previous government had allocated \$16 million for strengthening the internal audit function. I think there's virtually unanimous agreement that this is a good thing. There will be an additional amount of some \$50 million. Hopefully we can get it to less; it might be a bit more, but we're going to work to ensure that it's as little as possible.

If we can reduce things such as the sponsorship scandal, the HRDC scandal, and the lack of accountability in the gun control program, I think it would be a huge savings to taxpayers in the short term—not even the long term.

[*Translation*]

Mr. Benoît Sauvageau: Thank you.

According to the Library of Parliament backgrounder distributed to committee members, the Honourable Minister of Finance, Mr. Flaherty, is also the Vice-President of the Treasury Board. Is that correct?

[*English*]

Hon. John Baird: Correct.

[*Translation*]

Mr. Benoît Sauvageau: What new responsibilities will the Vice-President of the Treasury Board have? The former Vice-President of the TB, Paul Martin, maintained that he didn't have any responsibilities, that a vice-president merely attended meetings and drank coffee.

Should a problem arise, will the new Vice-President be in some way held accountable?

Hon. John Baird: As President of the Treasury Board, I am the responsible minister. A total of six ministers serve on the Treasury Board.

My experience as a member of Treasury Board at another level of government likely led me to make this suggestion. The Minister of Finance, whose job is one of the most important in government in terms of responsibility, didn't always have time to attend TB meetings. However, the current minister manages to attend meetings far more often than did his predecessor. He's already attended two or three meetings. Occasionally, the minister submits a written notice to the committee.

[*English*]

He is the vice-chair of Treasury Board as a cabinet committee; he is not vice-chair of the secretariat, or the deputy minister responsible. That's an important distinction. Each cabinet committee—Treasury Board is one—has a chair and a vice-chair. He is the vice-chair.

I think there's a strong engagement, personally, between the Minister of Finance and me. There is a strong engagement between our staff. There's a strong engagement between our officials. I think Minister Flaherty has said publicly that there certainly will be strong collaborations. I think that has been quoted in the media.

• (1000)

[*Translation*]

Mr. Benoît Sauvageau: Madam Chair, I see that the new President of the Treasury Board has been quick to learn an old trick. He provides lengthy answers so that there is less time remaining for other questions. I mean no disrespect, but I'm familiar with that tactic. I'll ask you some brief questions and I'd appreciate brief answers from you as well. I don't doubt that he is making a positive and constructive contribution. However, I'd like to move on to other matters.

Is the Vice-President of the Treasury Board accountable in some way, yes or no?

[*English*]

Hon. John Baird: You would have no more than the accountability mechanisms the vice-chair of the operations committee would have. You would act as a vice-chair of the meeting. You wouldn't have the responsibilities of the Treasury Board.

[*Translation*]

Mr. Benoît Sauvageau: A document in which leased space is discussed notes that there are 450,000 feet of surplus office space in relation to the overall leased office space available. Is this a fairly accurate assessment of the situation?

Hon. John Baird: I'm prepared to seek advice from our PWGSC colleagues, since Treasury Board is not directly responsible for leases.

Mr. Benoît Sauvageau: However, you are responsible for controlling the purse strings. According to a PWGSC document, there are 450,000 surplus feet of space. If the total budget for office leasing is \$3 billion per year and we apply the rule of three, it would mean that we're overpaying to the tune of \$210 million per year. You may not be responsible for leasing operations, but you are the one paying the rent.

Hon. John Baird: No, this falls under the authority of Public Works and Government Services Canada. Consequently, these operations are the responsibility of Minister Fortier.

Mr. Benoît Sauvageau: You control or audit accounts. How much longer will you agree to pay \$210 million per year for 450,000 surplus feet of leased office space?

If you agree, as we do, that this situation is unacceptable, what do you intend to do about it, and when?

[English]

Hon. John Baird: I think this is a file that Public Works and Government Services will be seized of. Even in the national capital region, there were two significant scandals that were exposed by the now parliamentary secretary to Treasury Board. There was the office space connected with a member of the other place on the Quebec side, and then there was the office space that's been sitting vacant at the corner of Baseline and Merivale Roads. Obviously that's unacceptable. We want to ensure that taxpayers get value for their money. We will look at how we can expeditiously address the value for money. At this level, that will be addressed by Public Works.

The Chair: Thank you very much.

I'm going to go to Mr. Van Kesteren.

Mr. Dave Van Kesteren (Chatham-Kent—Essex, CPC): Thank you, Madam Chair.

I'm not a permanent member of this committee. I have had the privilege of coming here a few times.

I thank you, Minister, for coming. It's a real privilege to listen to you.

I want to talk about the estimates. I'm a new member, as Mr. Wallace is. I'm also a member of the industry, science, and technology committee, and being a new member, I actually read my manual. And I stumbled across, in the science section—I'll read it:

Space Science and Exploration.

The program activity objective is to better understand the Solar System and the Universe; to seek extraterrestrial habitats for life; and to prepare for a permanent human presence on other planets.

Then I went over to the estimates side, and I noted that \$1.5 billion was being spent.

Sir, have you had the opportunity to look at this? If you did, and this is true, could you put an end to this lunacy?

Hon. John Baird: I've never quite inherited a job like this one. I'll say that it's much better to come into government as a minister than to wait four years, as I did the last time I did this, when you had to carry the other baggage.

This is, by and large, the estimate of the Canadian Space Agency. You did raise this issue with them. We have certainly put in inquiries through the Department of Industry. There have been problems at the Canadian Space Agency, which we're concerned about. The public service commissioner actually had to take away their delegated authority to hire staff.

Who was the previous president? Monsieur Garneau, *oui, candidat libéral*. So we're obviously concerned with that. I think

it's been recently given back; the public service commissioner has had the strength to return that authority. But we are looking at those concerns that you raised. I think that looking for E.T. to call home shouldn't be a priority for public spending.

● (1005)

The Chair: Thank you.

I want to ask you one question. What about Service Canada? Is that an ongoing push? What is happening with that?

Hon. John Baird: Yes, it is an ongoing....

I have to say I'm always very skeptical of big projects and their success. I think that in the private sector they have a huge number of problems with big projects, particularly involving technology. It's particularly acute in government because there is greater scrutiny than there is at a private sector firm.

I have had a number of briefings at Service Canada, as has the board. I can tell you that while it is not perfect, I have been surprised at its capacity. It's much stronger than I might have anticipated. But it's one we're looking more closely at. There's a huge capacity there for us to get more services directly to Canadians in their home communities, particularly in smaller cities and small towns. We're looking at our capacity. They're also co-locating them with provincial and municipal governments, which is helpful.

The Chair: I'm concerned, obviously, because so far in my area, I haven't seen better services. Actually, I haven't seen much of anything but a telephone with a 1-800 number. I've been a skeptic about this for a while now, and it's nothing new for people around the table to hear me speak like this. I am concerned that in the regions of the country it will become just a 1-800 number with very little service, purporting to deliver a program of doing passports, but it doesn't do passports. It just ships them on, and there's no capacity to get a passport in an emergency. I'm extremely concerned that we're not necessarily going to get better service, although it may look like that on paper.

Hon. John Baird: I'll confide in you, I'm always skeptical of these large projects. I can say at my initial briefings, both at Treasury Board and outside Treasury Board, I have been more surprised than I anticipated. Passports are a huge security issue the previous government confronted. We have to confront that as well.

There are two offices in Ottawa. We have one at our city hall, which is co-located. This was done by the previous government, so I'll give them some credit. It was co-located with the province and the municipality. There's also one in the west end, in my constituency, that seems to be doing a good job, particularly with income security programs. It's interesting they chose the income security programs, because those are by and large among the better service delivery models in Canada. Having dealt with various family members as seniors or veterans, I know there's a pretty high level of satisfaction with our public servants. They've done a pretty good job over the last 20 or 30 years on this, so it's obviously pretty easy to do it through Service Canada.

The real challenge will come, as you've just mentioned, and the passport question is certainly one that's before us, particularly in small cities and in rural Canada, and especially now that we're getting so many more passport applications than we did even five years ago. That will only get more acute, not less so. The passport capability is one of the missing links.

The Chair: Yes, because in northeastern Ontario there is not one passport office. The closest is in Toronto or in Ottawa, and there's a vast, vast land and the fact that we don't have access to any kind of emergency service.... You know, people are people. They will forget their passports are running out and people lose their holidays because there is no mechanism to help them out. They have to travel to Toronto or travel to Ottawa, whether they live in Moosonee, Timmins, Kirkland Lake, North Bay, Sault Ste. Marie, all that region.

I bring this up because Service Canada was going to do passports, which they can't. So I thank you, and I hope you'll keep pushing them, as I will.

Hon. John Baird: I'll pass it on to my colleague.

The Chair: Please do. Thank you very much.

Hon. John Baird: Thank you.

Thank you very much, members of the committee.

The Chair: Good luck.

We have a motion before us.

Madame Thibault.

[*Translation*]

Ms. Louise Thibault: Thank you, Madam Chair.

I have in fact tabled a motion, but it will be presented by my colleague Mr. Nadeau, the Member for Gatineau. I would, however, like to say a few words. Some members have already made some suggestions and therefore, there will likely be some friendly amendments. I'm also told that Mr. Proulx will probably propose an amendment as well.

I simply want to suggest a correction to the text. The last sentence in French reads: "afin de rencontrer". This is not correct usage in French. Instead, the motion should read "afin d'atteindre". While I'd like my anglophone colleagues to trust me on this one, I don't expect my francophone colleagues to disagree with me.

Without further ado, I'll let Mr. Nadeau present the motion.

•(1010)

The Chair: Ms. Thibault, since this is your motion, I believe the rules state that you must move it yourself.

Ms. Louise Thibault: Very well then. I'd be happy to oblige.

We broached this subject both formally and informally at recent meetings. This morning, there's no doubt that I put the question very deliberately to the minister. During debate on the committee's second report, it was clear to us that the current government's intention was to implement measures with a view to attaining this objective. Pious wishes, in this case, aren't enough. This morning, I was very pleased to see the minister make a commitment of sorts.

Since my motion has been moved, I'll wait until my colleagues have deleted certain words, or expressions. Then, if my understanding is correct, we'll discuss the motion in greater detail.

Thank you, Madam Chair.

The Chair: Maybe you should read your motion first.

Ms. Louise Thibault: Certainly.

I assumed that everyone had a copy of it.

My motion reads as follows:

That the Committee report to the House the following motion:

That the government should make a commitment, starting now, to divide federal Public Service, government agency and Crown corporations jobs between Ottawa and Gatineau, respecting without exception the proportion of 75/25 that was agreed upon by the federal Cabinet in 1984, and making a strict rule of signing competitive leases; and

That starting in 2007, the government report annually to the House on progress achieved in correcting the persisting inequity on the one hand and establishing an integrated plan of concrete actions for meeting and maintaining the 1984 objective on the other.

The Chair: Thank you.

Ms. Louise Thibault: Would you like me to read it to you in the other language?

The Chair: No, that's not necessary.

[*English*]

On the motion as presented, Mr. Warkentin.

Mr. Chris Warkentin (Peace River, CPC): Thank you very much.

I was wondering if I might be able to offer a friendly amendment—I hope it's friendly.

It's just been read, so what I'll do is just read it the way I would see it be amended, then let's have some discussion about it. So it would be that the committee report to the House the following motion:

That the government should make a commitment, starting now, to divide federal Public Service, government agency, and Crown real estate between Ottawa and Gatineau respecting the proportions of 75/25 that was agreed upon by the federal cabinet of 1984.

Then it would continue "That starting in 2007...", and the remainder would be the same.

Mr. Mike Wallace: You may want to point out what the fundamental differences are.

Mr. Chris Warkentin: The fundamental differences are that we talk about real estate, so that would be added in replacing corporation jobs. We'd actually show that there's a tangible asset that will be on the other side of the river. And we'd remove the part saying that there be a strict rule in the signing of competitive leases, simply because strict rules...at least a suggestion has gone forward....

I just don't see the value, if we're removing the portion that is without exception. Because as we've discussed, there's a possibility of an exception in a case where there are no buildings, as an option for that time, but there would always be an intent to move toward that 75-25 allocation.

•(1015)

The Chair: On Mr. Warkentin's amendment, Monsieur Proulx.
[*Translation*]

Mr. Marcel Proulx (Hull—Aylmer, Lib.): Thank you, Madam Chair.
[*English*]

To start with, I think the other members of the committee should realize that the original wording of this motion would penalize all of the country except Ottawa and Gatineau. What in essence this says is that all government jobs should be divided between Ottawa and Gatineau at the rate of 75-25.

But let me address the amendment that Mr. Warkentin has suggested. The policy of the government talks of 75-25 in terms of jobs, not real estate properties. The reason behind that is that we now have—as a matter of fact, it's in Mr. Nadeau's riding—a huge building. I couldn't tell you how many square feet, but it's huge. It used to be a mega-Zellers centre. It was vacated by Zellers and purchased by the Government of Canada.

I was saying jokingly the other day at committee, when we had the pleasure of having the Minister of Public Works in front of us, that this particular building, although it's huge in square footage, has, I think, something like three or four jobs there.

So the policy was in regard to jobs.
[*Translation*]

Therefore, I think we need to continue focusing this policy on sharing jobs, not on square footage, because we could end up with cavernous warehouses that do not contribute in any way to the financial or economy development of a region.

I've given the Clerk the text of a proposed amendment to Ms. Thibault's motion which clarifies the meaning of the 75:25 policy. Obviously, Ms. Thibault is not from the National Capital Region and I think that she, in good faith...

The Chair: Before you go any further with your amendment, we need to resolve Mr. Warkentin's amendment.

Mr. Marcel Proulx: All right.

Regarding Mr. Warkentin's amendment, the important thing is that we focus on jobs, not on square footage.
[*English*]

The Chair: Mr. Kramp.

Mr. Daryl Kramp: Referring to Mr. Warkentin's friendly amendment, the only area I have difficulty with, and it was discussed earlier with the minister today, is with the reference to crown corporations. These are at arm's length, and they're generally out of the control of government, responsible to their own administration board of directors. I have no problem with referring to the federal public service, government agencies, etc., but I don't think we can make any reference or include crown corporations in that, simply because the government does not have enough effective control of those organizations. They're too far at arm's length to include them in this amendment. They should be omitted.

The Chair: This amendment talks only of real estate.

Mr. Daryl Kramp: I realize that, but crown corporations also control real estate. The governments don't make a lot of the decisions for these crown corporations. They make their own decisions. I do believe they should be excluded.

The Chair: Mr. Warkentin.

Mr. Chris Warkentin: I would like to follow up on Mr. Proulx's comments.

The understanding, I guess, was that there would be the 75-25 allocation between Gatineau and the other side of the river, the Quebec and the Gatineau side. So it wouldn't preclude there being civil servants or jobs across the country, but we're just talking in terms of dividing what is in this region—that 75% would be in Ottawa and 25% would be across the river. So if there are 100 square metres of property, then 25% would be on the other side, and 75% would be on this side. I guess we're talking about the allocation of property in the capital region.

In terms of the real estate, I just think it's important. Mr. Kramp talked about the fact that we can't dictate where crown corporations locate their jobs, but I think we can probably dictate where there is purchased real estate by the federal government. We certainly want to ensure that we have the facilities available for our crown corporations and our crown-run agencies to have real estate over there. Because we're moving to a certain number of people per square metre, there are requirements that would therefore dictate how many jobs we would have over there, simply as a result of how many square metres we have of property. Certainly, jobs would follow the real estate.

•(1020)

[*Translation*]

The Chair: Mr. Proulx.

[*English*]

Mr. Marcel Proulx: I appreciate the comments of Mr. Warkentin in regard to the jobs being in the national capital region. However, I'm sure that Mr. Warkentin will accept with me that if we are to mean something in such a motion, we should make sure that it is in writing in that particular motion. In other words, if we're talking about the feathers of the ducks, let's mention that they're not only the feathers, but also the feathers of those particular ducks.

This particular motion, as originally tabled, is incomplete. Somebody tried to be opportunistic and take a ball that has already been thrown in the air. I think this motion should be corrected much more than that, but I will come to that when I table my particular amendment after yours.

In regard to your amendment, if we keep jobs in there, I have no problem in making a strict rule of signing competitive leases as you suggested.

[*Translation*]

The Chair: Ms. Thibault, on Mr. Warkentin's motion.

Ms. Louise Thibault: The intent was to target jobs. One of the measures mentioned was to seek out competitive leases. Moving public servants into adequate offices requires space. We'll talk about this later, but I've taken note of Mr. Proulx's comments and I'm prepared to go along with his amendment. I have no wish to adopt a partisan position. I'm thinking about our federal employees in the National Capital Region and I'd like us to work together this morning to resolve the problem as quickly as possible.

[English]

Mr. Mike Wallace: I didn't hear whether they're in support of his amendments.

The Chair: If there are no more speakers, I'll call the vote on the amendment.

Mr. Wallace.

Mr. Mike Wallace: I think we can have a bit of a discussion.

I think there is consensus of sorts around the table, and if we get the wording right today, great. If we can't, I'm satisfied to turn it over until Thursday.

I'd like to know, if possible, whether the Bloc is supporting my colleague's amendment or not. I didn't get that answer.

[Translation]

The Chair: Mr. Nadeau.

Mr. Richard Nadeau (Gatineau, BQ): I'd like you to call the vote, Madam Chair.

The Chair: Not unless there are no further speakers to the motion.

[English]

Are there no other speakers?

We'll call the vote on your amendment.

(Amendment agreed to) [see *Minutes of Proceedings*]

The Chair: It passes.

An hon. member: Where did you count six?

The Chair: Madam Nash supported their amendment.

Mr. Marcel Proulx: You voted in favour of that?

Okay.

The Chair: Mr. Proulx.

[Translation]

Mr. Marcel Proulx: Thank you, Madam Chair. Earlier, I submitted my amendment to the Clerk in both French and English.

The Chair: Would you read it to us, please?

Mr. Marcel Proulx: Certainly.

The Chair: You need only read it in one language.

Mr. Marcel Proulx: That's what I intended to do, using Ms. Thibault's original motion as a guide. I want to be clear that I don't doubt that Ms. Thibault is acting in good faith. We have worked together on several occasions and I greatly appreciate the opportunity to work with her. She is a frank and honest person.

The second paragraph of Ms. Thibault's motion begins as follows:

That the government should make a commitment [...]

My proposed amendment would replace the rest of the paragraph with the following:

in the National Capital Region, starting now, to divide federal Public Service, government agency and Crown corporation jobs between Ottawa, and Gatineau, primarily departments, departmental corporations or other bodies referred to in the Bank of Canada Act, the Broadcasting Act, the Canada Council for the Arts Act, the International Centre for Human Rights and Democratic Development Act, the International Development Research Centre Act, the National Defence Act, the Parliamentary Employment and Staff Relations Act and the Telefilm Canada Act, or in any schedule to the Financial Administration Act, to meet a standard whereby at least 25 per cent of positions are located on the Quebec side of the National Capital Region, as agreed to in 1984 by the federal cabinet, primarily by purchasing or leasing real estate through a competitive public call for tender process;

The next paragraph of Ms. Thibault's motion begins with the following:

That starting in 2007, the government report annually to the House on progress achieved [...]

With my amendment, I'm proposing that the following be added, after the words "progress achieved":

by preparing an annual statistical summary of all public sector positions in the National Capital Region, including their locations and any movement of those positions in the previous fiscal year, which shall be laid before the House of Commons and made available to the public through a posting on the Government of Canada website, within four months after the end of each fiscal year, and by taking the necessary steps to ensure as soon as practicable as positions are filled in the public service, and in any case not later than December 31, 2010, that the 25/75 standard is implemented and respected.

Let me explain, Madam Chair, the rationale behind my proposed amendment.

First, let me say that I believe Ms. Thibault is acting in good faith with a view to attaining the 75/25 standard. However, we're not necessarily going to re-invent the wheel just because some new MPs were elected in January 2006. Last week, during a debate in the House, I was accused of becoming interested in this issue only lately, whereas that is not true. That's why I've listed the different acts that should be used for the purpose of calculating the numbers. Hear me out, Madam Chair.

When the Minister of Public Works and Government Services appears before the committee, when his parliamentary secretary fields questions in the House, when PWGSC employees refer to the 75:25 policy, they all maintain that the proportion is currently 77 per cent on the Ontario side, and 23 per cent on the Quebec side.

If we include only those departments and agencies that report to Treasury Board, the figures would probably be quite good. However, the federal government's original policy makes no reference to agencies or departments that report to Treasury Board. Rather, it refers to federal government jobs in the National Capital Region. To come up with some fair numbers, we need to take into account not only the departments that report to Treasury board, but all jobs that, directly or indirectly, report to the Government of Canada.

● (1025)

For example, PWGSC does not account for all Canada Mortgage and Housing Corporations jobs. Yet, CMHC does report to the federal government. However, it's not included in the calculations because as an employer, CMHC is not subject to Treasury Board.

The same holds true for Canada Post. No one is about to argue that Canada Post does not report to the Government of Canada. I could give you scores of other similar examples.

We must be very careful about how we interpret the laws mentioned in this motion. These laws also happen to be cited in motion M-316 that I presented during the previous Parliament.

We're not saying that CMHC should relocate 25 per cent of its workforce to Gatineau, just like we're not saying that the Parliament of Canada, the Senate or the House of Commons should relocate. We're saying that these institutions must be taken into account when calculating the numbers.

● (1030)

In response to the objection raised earlier by my colleague Mr. Kramp, if we calculate the number this way and come up with a ratio of 80:20, the missing 5 per cent of jobs doesn't necessarily have to come from Crown corporations which are not necessarily controlled by the government. Rather, they are independent agencies. However, if we need to make up this 5 per cent, the Government of Canada, which controls jobs through Treasury Board and PWGSC, could step in and transfer 5 per cent of the jobs to the Quebec side.

[English]

The big picture will show that the sharing within the national capital region is actually 25%-75%, but of course I do not suggest that employees from the Parliament of Canada, whether it be the House or whether it be the Senate, be moved to the Quebec side. What I'm saying is that all of these entities that are direct or indirect to the Government of Canada have to be considered in the mathematical calculation to arrive at the number of employees or jobs that should be split in the national capital region, and then the government, within the department or agencies that it controls, can make the different switches to accommodate this 75%-25% share.

Thank you very much. And I want to reiterate that it will be a real pleasure to discuss this and to look at any possible changes, but again, this is not the result of three months of work, this is the result of work since 1994.

Thank you, Madam Chair.

The Chair: I have a bit of a concern. We passed the motion of Mr. Warkentin, essentially removing the word "jobs" and replacing it with the word "real estate". I'm going to ask the people how this motion now comes in after

[Translation]

the word "federal". The word "jobs" has been replaced. Perhaps the research officers could explain how that works, because I'm not really following the logic behind this very well.

Mr. Marcel Proulx: Madam Chair, the experts may well propose an amendment to my amendment. The reference in my amendment is to "jobs", not "real estate".

The Chair: I understand, but the amendment has already been adopted.

Mr. Marcel Proulx: In that case, my amendment would amend Mr. Warkentin's motion which has already been adopted.

The Chair: Yes, Ms. Thibault.

Ms. Louise Thibault: Could someone read the text of the amendment as adopted, to give us an idea of where Mr. Proulx's amendment might be inserted?

The Clerk of the Committee (Ms. Bibiane Ouellette): I'll read the text in English.

[English]

"That the government should make a commitment starting now to divide federal public service, government agency and Crown corporation real estate between Ottawa and Gatineau."

[Translation]

The Chair: The text of the motion that the committee has just adopted.

Ms. Louise Thibault: No, that's not at all in line with the gist of my motion. We'd like to withdraw it, because it no longer makes any sense.

The Clerk: Yes, but Mr. Proulx's amendment rectifies the problem.

● (1035)

Mr. Marcel Proulx: On a point of order, Madam Chair.

Could someone explain this calmly to us? We want to grasp the implications of adopting Mr. Warkentin's amendment, as well as the implications of possibly adopting my amendment to Ms. Thibault's original motion.

The Chair: Would someone like to venture an explanation? Ms. Nash.

[English]

Ms. Peggy Nash: I would like to move a motion of reconsideration of the previous motion.

I'll tell you why. I was given amendments to the motion, which I was told were Mr. Warkentin's amendments, and that's what I thought I was voting on. But when you read what we voted on, those are not the amendments I have. So I was voting on something that is different from what we actually voted on. I don't believe the actual amendment was read before the vote, and I think that's where the confusion lies. What I voted in support of is what I have in writing, which is not what you just read.

The Chair: Go ahead, Mr. Wallace.

Mr. Mike Wallace: I'm new to this, but I think there's a solution that all around the table can find. Can we move to table this until the next meeting and have a discussion? This is not in French. It's not fair to them. It's not fair to the English.... Oh, this you do have in French, okay.

There are a number of amendments. We have a meeting on Thursday, and I think we can get a solution.

The Chair: You know what? I think we could, if we have unanimous consent, agree to set aside whatever has been done and then sit down and actually work out proper wording. I think we voted, and we didn't realize the impact.

If you're all in favour, then we'll move forward with some of these amendments and we will debate them, but we need unanimous consent for that.

Madame Ratansi wants to speak, and then Mr. Bonin and Monsieur Nadeau.

Ms. Yasmin Ratansi: Madame Chair, I was surprised that Madame Nash has an amendment that came from the Conservative side. And I don't even have anything in writing, so I couldn't figure out what we were voting on. And that's why, when we don't have anything in writing, we are being blindsided. So I guess Madame Nash was blindsided in voting for something that she didn't even know about until she read the amendment.

So I think in fairness, I would agree that we should revisit everything and see where we can come to a consensus, because all of us are hopefully working in good faith trying to figure out what it is that we are really trying to do. Is it real estate? Is it jobs? What is it? It is a little hairy-scary at the moment.

The Chair: Would you allow Madame Nash to explain where her motion comes from? Does it come from the Conservatives, or was she thinking that she was voting on something else completely?

Madame Nash.

Ms. Peggy Nash: The changes I was given were from the Conservatives, and they said that they were going to move these changes. But ultimately, that was amended to become something quite different, and it was moved from jobs to real estate. I think that when we voted, there was no reading of the motion, and that's where the confusion comes from.

I support the recommendation to set aside what was adopted earlier and sit down and with goodwill work out language everyone can agree with. I think with such a big group sitting around the table, it's difficult to develop specific wording.

The Chair: We'll go to you, Mr. Warkentin.

Mr. Chris Warkentin: Yes, in discussions before the meeting I did mention that I wanted to see if we couldn't change the last sentence in this second paragraph, and we would remove the "without exception", and then Ms. Nash and I had some discussion as to whether it should be jobs or real estate. So I made the change of real estate, in terms of unions and stuff.

The Chair: That's what we voted on, unfortunately.

Mr. Chris Warkentin: I did read the "as amended" when I tabled it.

The Chair: Mr. Bonin, we're discussing whether we will withdraw the whole thing, but we need unanimous consent to do that. If we don't have unanimous consent, then we're not going anywhere.

Monsieur Bonin.

Mr. Raymond Bonin: Madame Chair, if we are to reconsider this, and I agree that we should, at least I need to know the intent of Mr. Walkerton. Was the intent, Mr. Walkerton, to remove the 25-75 jobs? Was that your intent, to remove that?

• (1040)

Mr. Chris Warkentin: It's Warkentin, not Walkerton where the water crisis happened. Ever since that happened I've been Walkerton, but it's Warkentin.

Mr. Raymond Bonin: Okay, Chris.

Mr. Chris Warkentin: Moving on from that, it certainly wasn't my intent. Because of the parameters Public Works has put forward, I believe jobs follow real estate. My belief was that having a tangible asset on both sides of the river would do what was intended in the motion: it would ensure a Canadian presence on both sides of the river, certainly for national unity's sake. That's where my motion comes from.

The Chair: Are you suggesting we reconsider the motion that was passed?

Mr. Chris Warkentin: I'm happy to table this tomorrow.

The Chair: We're not back here tomorrow. Are you saying we will reconsider the motion that was passed, which was your motion? And if so, can I ask if we have unanimous consent to do that, to reconsider the motion that was passed, because obviously it was not your intention?

Mr. Mike Wallace: Point of order. The reconsideration is that there will be some time for negotiations and it will be brought back on Thursday?

The Chair: No. You either reconsider the motion or it stays as is. We can't have it both ways.

Mr. Chris Warkentin: I'll leave it as is for now, until we have the next meeting dates and discussions to further this.

Mr. Marcel Proulx: Madam Chair, am I right in understanding...? According to the Standing Orders, we have voted on his amendment; it passed. We are now discussing my amendment. If we vote, and if my amendment is carried, then Mr. Warkentin's amendment would automatically fall and be replaced by mine.

The Chair: Please, we'll ask the clerk to explain, because I'm not sure that's the case.

The Clerk: Mr. Proulx's amendment says that following the word "commitment" in Madame Thibault's motion, we add all this.

Mr. Mike Wallace: So it's a replacement of what's there. It's not really clear that it's a replacement.

The Clerk: Yes, it says "following the word 'commitment'".

An hon. member: We can't support that.

The Clerk: Then you would have to change the word "jobs" in Mr. Proulx's. Do you understand?

Mr. Marcel Proulx: I'm still on a point of order, Madam Chair.

My amendment does not talk of real estate; my amendment talks of jobs. Therefore, I repeat, if we accept my amendment as it is worded, the amendment we did for Mr. Warkentin falls off the table because it's deleted and replaced by mine.

The Chair: I wanted to be absolutely sure, and that's why I asked the clerk to explain it, because I wasn't absolutely sure that was the intention. If it is, that's fine by me.

We're back on debate.

Mr. Bonin, did you speak already?

Mr. Raymond Bonin: No, but let me be clear. You are accepting Mr. Proulx's amendment?

The Chair: The clerk tells us that his amendment will in effect throw out the other amendment.

Mr. Raymond Bonin: I support the amendment. That's all I have to say.

The Chair: Madame Ratansi.

Ms. Yasmin Ratansi: I just want clarification then. Madame Nash said that she voted under a misperception. What are our procedures?

The Chair: Unfortunately, once the motion is voted—

Ms. Yasmin Ratansi: So she can now vote....

The Chair: She can vote for this motion if she wishes, knowing full well that the other one falls aside.

Ms. Yasmin Ratansi: That it is now the “jobs” not the “real estate”. Okay. Thank you.

The Chair: Monsieur Kramp.

Mr. Daryl Kramp: I'm a little disturbed, in a way. This is an important issue for many people, and I would like to see this committee unanimously pass a motion. I really believe it's feasible and it's possible.

I don't think anyone has any difficulty with the 75-25. I don't think there's any difficulty at all. But I really believe there is some difference of opinion on a number of areas. I'd mentioned the one about crown corporations, and I think we need some discussion on that, Mr. Proulx.

In addition, by specifically stating “various bodies”, there could be an inference that the department might need to have 75-25, not only the reporting of that. To me it's not clear. It could be wrong, because one jurisdiction in one department in one location might not have the capacity to do 75-25. It might be 60-40, as long as the overall balance is there. My concern is on getting the overall balance, rather than saying “single department”.

My concern is that by listing it in this way, the inference could sway people to believe and/or have the impression that the particular department, regardless of where it is located, would have to adhere to 75%. I think it might not be your intention, but it could be interpreted that way.

We have to rethink how to propose this. I'm not willing to put this off to another day, but I am suggesting that we need to think about this. Let's try to work together, whether it's now, tomorrow, during the day, or the next day. We can present something on Thursday that we can unanimously pass and send the message that this is what the committee believes in and what we all in spirit want.

I couldn't support your motion the way it is right now. It's why I think we need to have some discussion and go along with the original intent of Madam Thibault and your intent as well. I think we all concur, but give us the latitude of a day to try to work through this so that we can be unanimous in our efforts.

• (1045)

The Chair: Madame Nash.

Ms. Peggy Nash: I am very concerned about moving any further on this without more discussion and consultation. This affects a lot of people, and I want to be really clear on what we're moving forward with.

The problem arises right now because of an earlier lack of clarity. My view is that this is too important to be developed on the fly. I would really like a motion to reconsider what we've previously done, to have further discussion, and to bring it back. I think that would be in order.

If there's an unwillingness to do that, perhaps we can agree that we will not vote on this motion until the next meeting. I want to have further consultation.

The Chair: Mr. Albrecht.

Mr. Harold Albrecht (Kitchener—Conestoga, CPC): Madam Chair, it seems to be that this amendment, as proposed by Mr. Proulx, is really a major change from what all of us in this committee meeting read 48 hours ago.

If we want to honour the spirit of what we said, that motions need 48 hours, if it's okay with the clerk, I would move that we table the motion, which has been amended, until Thursday. We can possibly discuss the new motion that we received today. We can have adequate time to study it and to do the research that Ms. Nash is concerned about doing.

The Chair: We're now debating Mr. Proulx's amendment. That's what we're on.

Mr. Mike Wallace: If you table a motion, does it not override that?

The Chair: What was that? I'm sorry, I didn't hear you.

Mr. Mike Wallace: In terms of the rules of order, for example, when somebody has the floor and is moving to table the motion, does that not override the amendment?

The Clerk: When an amendment is proposed, you have to deal with the amendment. You can't deal with something else before that is done.

Mr. Chris Warkentin: We can table the amendment.

Mr. Daryl Kramp: Let's call the vote and see if we can move to another day.

The Chair: We could table it anyway, but we have to deal with the other motion before we can do anything with your proposal.

Mr. Mike Wallace: Do we follow the actual rules of the committee?

The Clerk: It's the very same as in the House, if you want to reconsider the first amended motion.

Mr. Mike Wallace: We're not talking about that, though.

The Clerk: No. You would need unanimous consent. But that's done with; it's over. So now it's the other amendment.

The Chair: Mr. Warkentin.

Mr. Chris Warkentin: I'd like to make a motion that we table the amendment, the motion brought forward by Mr. Proulx, as well as the entire motion.

The Chair: There is a point of order from Mr. Proulx.

Mr. Marcel Proulx: On a point of order, I think we're playing hide and seek with the vocabulary, in the sense that when proponents are talking of tabling a motion, the motion has already been tabled. It was Mrs. Thibault who tabled the original motion. So it's tabled. Then we had an amendment on the part of Mr. Warkentin. We voted on the amendment, and the amendment passed, was accepted. Therefore, we now have a motion that has been tabled and amended.

We are now speaking of another amendment that I've brought forth. So there's no discussion of tabling or not tabling. The motion is already there, it has already been amended, and now we're discussing a further amendment.

We have to discuss this amendment. Either we discuss it until 11 o'clock and then this committee adjourns and the problem hasn't been solved, or we solve it before 11 o'clock. So let's not play with the vocabulary.

I'm surprised when the Conservatives are saying that this is different. When you're saying the amendment is totally different from what you expected, what did you expect was meant by the words "federal Public Service, government agency and Crown corporation"? Did you figure that it included or did not include, for example, Canada Mortgage and Housing Corporation?

I think everybody in Canada will agree that Canada Mortgage and Housing Corporation is definitely related to the Government of Canada. What I'm saying is that because CMHC does not answer to Treasury Board as an employer under the rules of administration, Public Works excludes it from the mathematical calculation. What I'm saying is that it should be included.

In answer to Mr. Kramp's objection, I have no dreams in my head. I don't think for an instant that eventually 25% of CMHC will be moved to the Quebec side of the national capital region, and I'll tell you why. The charter of CMHC specifies that CMHC's head office is to be in Ottawa, Ontario, Canada. You can't move it. I can dream about it, but it will never happen in this world.

However, because it is related to the Government of Canada, I think the number of jobs within CMHC has to be used in the calculation to establish how many jobs there are on the Ontario side and how many jobs there are on the Quebec side, in comparison. Once we establish that we are short, whether it be 5,000, whether it be 50,000, or whether it be 10,000 jobs on the Quebec side, then the Government of Canada, within its powers, within its departments and the agencies it controls, can switch jobs over to the Quebec side to make sure that we are now at the 75%-25% proportion. But there isn't a hope in my head, nor in yours, I'm sure, that we start changing charters such as the one for CMHC that says it must be in Ottawa.

Therefore, I'm open to discussing it as long as you want, but I don't think this is so complicated that we need to discuss it until death do us part. I think it's a situation where we should be able to say it's 75-25, calculated out of these jobs, and now we have to get the government to apply it and make sure that there are enough jobs on the Quebec side to meet the 25%.

Thank you very much.

• (1050)

[*Translation*]

The Chair: Mr. Nadeau.

Mr. Richard Nadeau: Thank you, Madam Chair.

Ladies and gentlemen, we need to use an overall approach to calculate the 75:25 ratio. This matter was resolved in 1984. All governments, from John Turner's to the present one, have recognized this ratio as a standard to be attained. Therefore, there's nothing to be concerned about.

The Bloc Québécois is asking the committee to support a number in the upper range, as both we and the Liberal Party have advocated. It bears mentioning that the President of the Treasury Board is very mindful of the significance of the 75:25 ratio, given his current status as a Conservative Cabinet minister.

So then, there's no great mystery here. I agree with Mr. Proulx's amendment which further clarifies the meaning of the 75:25 policy. The motion was more general in scope, but the amendment is more specific. At issue is the basic principle which calls for 25 per cent of all federal jobs to be located in the Outaouais, and 75 per cent in Ottawa. That's the issue here. Thank you.

• (1055)

[*English*]

The Chair: Mr. Wallace.

Mr. Mike Wallace: Thank you, Madam Chair.

My issue with the amendment here, which is really a replacement, is that the original motion talks about starting now to divide the federal public service government agency...it leaves it broad, and I'm not sure what the advantage is and I don't understand why things have to be listed.

In my interpretation of the original motion, the Bank of Canada would be included in there. What else do you have here? The Canada Council for the Arts. I'm assuming they're a government agency. I'm really confused. I'm fairly new here, and don't know all the agencies that are part of the Government of Canada. I believe there was a tourism agency here previously, and I think it got moved out of the region. So why is that not included here and this one is included here?

I'm a little nervous about having them listed. I think the previous motion has a better position for the committee and for the government in terms of calculating the thing because I think it will capture more. I'm not sure why these particular organizations and departments were chosen for this motion, and I think it's important for me to know that before I vote in support of why they're there.

In the second part, in terms of posting it on the website and so on and so forth, I don't have any particular problem with any of that. I just don't know about whether the deadline is feasible from a practical point of view. I haven't a clue. So I have a hard time deciding whether this is good. I would rather have been able to ask those who are responsible for actually doing the work to be able to determine whether this is feasible or not, whether it's four months, three months, five months.

So I'm not able to support these amendments to this motion, just because I don't understand what the implications are when we have some agencies and departments listed and not others, and then what the actual availability and practicality of the second part is.

Mr. Daryl Kramp: Following on exactly that point, we cannot just start to cherry-pick. We either have to have a carte blanche in which everything is in the package or you have to go to each and every department that potentially could be a participant in this program and list every one of them. I thought we had carte blanche to go ahead, but now to list specific departments and exclude others, there is no rationale to that whatsoever in my mind. So that's why I would oppose it, but I do believe on the spirit and the purpose of this we could have some unanimous consent. Let's not try to steamroll this thing through. It's an important issue, and I'm sure we can come up with effective wording between now and our next meeting to resolve this.

The Chair: Mr. Dewar.

Mr. Daryl Kramp: On a point of order.

A voice: He can't vote.

The Chair: He cannot vote, but he can be recognized.

Mr. Dewar.

Mr. Paul Dewar (Ottawa Centre, NDP): Yes. Just to beg your indulgence—

Mr. Marcel Proulx: I have a point of order. Is it possible that for Mr. Dewar to address the committee you would need consent?

The Chair: If somebody opposes, yes.

Mr. Marcel Proulx: Does somebody oppose Mr. Dewar addressing the committee? Do you oppose?

Mr. Daryl Kramp: Not if the other member sits aside from the chair just so that we have equal numbers at the table here.

The Chair: We have the substitution now.

I'll allow Mr. Dewar to speak, seeing as we have the substitution, but I'm going to say this. We'll allow him a few minutes to speak and then I'm going to end the meeting without calling the vote because I think we are not moving forward. I'm going to give directions that we work together to see what kind of motion we can put forward to make it a unanimous motion of this committee. Okay?

Mr. Dewar, I'll give you just a minute or so to speak, and then I'll end the meeting so that the health committee can then come in.

● (1100)

Mr. Paul Dewar: Thank you very much. Thank you for your indulgence, committee.

I just wanted to say a couple of things. I have an interest in this, because it's my constituency this affects. I want to clarify a couple of things. We had an original motion that has been amended and is to be amended yet again. This makes perfect sense, because I just came from the Bill C-2 committee, so I'm used to it.

I will say that when you're looking at something of this magnitude that could be brought to the House, where concurrence might be debated and it would have some weight, I think there needs to be clarity. I was going to say for the record that we shouldn't rush this. I think some other documentation needs to be provided. I'd like more detail on the 1984 federal cabinet decision, as much as we can have.

Then, to make sure we have the full scope, the last thing I'll say is that Bill C-2, which is probably going to be passed, will affect what we're talking about here. I think that needs to be taken into consideration, and there will probably be a need for some backup from people in the public service to help us out with this.

Thank you.

The Chair: Thank you very much.

I'll call the meeting to an end. The meeting is adjourned.

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