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Tuesday, February 12, 2008

—
Chair

The Honourable Diane Marleau

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• (0905)

[English]

The Chair (Hon. Diane Marleau (Sudbury, Lib.)): I call the meeting to order.

We're going to move directly to motions, because we have some motions and I think we should deal with them.

[Translation]

Ms. Faille, I think that you are moving the next motion. We have two motions. You can move yours.

Ms. Meili Faille (Vaudreuil-Soulanges, BQ): The motion that we tabled two weeks ago now stems from reports on CBC and in the *Globe and Mail* about approaches made by the Prime Minister's office to officials of Public Works and Government Services. The motion reads as follows:

That the committee examine and report to the House on the political interference by the Prime Minister's office in two files involving Conservative fundraiser Leo Housakos, and call first to appear Dimitri Soudas, Leo Housakos, Michael Fortier, Frederic Loiselle, Michael Rosenberg and John Lemieux.

These people seem to have been involved in the various meetings that took place. We were shocked by this story. The committee should address it or at least hear these people's versions, because there seem to be comments from both sides and people in the middle. Mr. Fortier's office is uncomfortable about the situation. There is a process by which contracts are awarded, and this was a military matter. Other articles contain between-the-lines references to the involvement of Thyssen. Some aspects of this need to be clarified and the only people who can do so are people like Mr. Housakos and the officials at Public Works and Government Services who are involved in the affair.

[English]

The Chair: Is there debate on this motion?

Yes, Mr. Moore.

Mr. James Moore (Port Moody—Westwood—Port Coquitlam, CPC): I'd like to move an amendment, if I could.

This is not unlike Mr. Holland's motion from last week. We know why it's coming up and so on, obviously. We know that Minister Fortier will be a candidate against Ms. Faille in the next campaign in her district, so this is the obvious angle here—not that there weren't legitimate questions that were raised for one day in one new cycle that were dropped the next day because the press gallery recognized there was actually no issue here.

I'm going to put forward an amendment to her motion—I have it prepared here in both official languages and have forwarded it to the clerk—and that is that this issue has been referenced to the Ethics Commissioner for examination. It's in fact very rare in our parliamentary system here in precedent that committees study things ahead of either the Ethics Commissioner or the Information Commissioner or the Privacy Commissioner. So what I'm recommending here is an amendment to Madame Faille's motion.

[Translation]

In French, it reads as follows: "Et que ce comité n'étudie pas cette question avant que le commissaire à l'éthique n'ait eu la possibilité de l'examiner et de faire rapport à la Chambre".

[English]

"And that this committee does not study this issue until after the Ethics Commissioner has had an opportunity to examine and report back to the House."

That's been the practice and tradition of these types of motions, so I would move that amendment.

A committee can study what it likes, but it is our tradition that we wait for independent officers of Parliament to render judgment on that, and that becomes part of the examination.

The Chair: Is there debate on the amendment?

[Translation]

Ms. Folco.

Ms. Raymonde Folco (Laval—Les Îles, Lib.): Mr. Moore said that he was circulating the motion. Before I can discuss it, I would like to have it.

The Chair: If there are not enough copies, I can give them mine.

[English]

Did you get a copy, Mr. Angus?

[Translation]

You have the floor, Ms. Bourgeois.

Ms. Diane Bourgeois (Terrebonne—Blainville, BQ): First of all, I do not agree with the amendment. I would just like to remind the committee that we studied real property management after the sale of federal government buildings. At that time, there was discussion of leasing buildings, but when we were studying the file, we did not know that there were legal proceedings between Public Works and Mr. Michael Rosenberg.

I think that this raises questions about the decisions made when the buildings were sold, eight, if memory serves. I feel that it is important that the committee is able to return to this file so that we can get to the bottom of the story. So our motion also refers to leasing buildings, to private management and—and these are strong words—to dirty little secrets that were kept from us.

• (0910)

The Chair: Go ahead, Mr. Kramp.

[English]

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

I just don't want to see us head down the road of either duplication or overlap again. I think it is important that if this committee wants to study this issue, for whatever the reason, whether it's partisan or whether it's wholesome and good for the Canadian taxpayer, that's fine. That's fair ball and I suppose reasonable.

If we go ahead now without the information that has come forward or will come forward before the Ethics Commissioner, we're excluding anything we might hear there from bringing it into our meeting here. So I really think we have to take things in chronological order to deliver the results we need for the full evaluation of this committee. If we go ahead and study this now or in due course, and then after that study or investigation information comes out from the Ethics Commissioner that might either corroborate or be judgmental and/or be in opposition to some of the information we've already heard, we've put the cart before the horse.

I'd like to hear from the Ethics Commissioner on this, and their study and their evaluation. At that point, then, the committee would have the information available to them to decide whether or not we should go forward. If that information, in the judgment of this committee, after the evaluation of the Ethics Commissioner, is such that it is worthy of further study, then of course that's this committee's will, and I think we would accept that judgment.

Let's just do things in the proper order here; otherwise we're going to end up redoing something that's already taken place and then having to just recycle a horse around, and that's no way to run a committee's business.

[Translation]

The Chair: You have the floor, Ms. Folco.

Ms. Raymonde Folco: Thank you, Madam Chair.

I am glad that I am speaking right after my colleague Mr. Kramp, because I hold the opposite view in that I understand the Ethics Commissioner wants to look at the matter. If the information that we receive happens to be different from the information that the Ethics Commissioner receives, that will be a problem, because the two groups must have access to the same information.

If the information is contradictory, that in fact proves that there is a problem, despite what my colleague said. But there is no problem with the Ethics Commissioner waiting for our information, just as we can wait for his. Let us never forget that this committee, like all committees of the House, is in charge of its own program and its

own decisions. So nothing prevents this committee from studying the matter, even if someone else is doing so.

The Chair: Thank you, Ms. Folco.

Your turn, Mr. Albrecht.

[English]

Mr. Harold Albrecht (Kitchener—Conestoga, CPC): Thank you, Madam Chair.

I agree with my colleagues on this side for many of the reasons they have already articulated. I think there's even a more foundational reason that we need to consider as a committee, and that is that this committee seems to run off in all directions every time a new item hits the news. We have not sat down as a committee and really completed any work that we can report back to Parliament. We have a list in front of us in terms of what the clerk gave us last week as to the ideas we've already agreed to pursue. So here we are running off again in a different direction.

I would like to ask the law clerk if he would have an opinion on whether or not it's customary for committees to delve into things that are before the Ethics Commissioner or even where there are pending lawsuits outstanding.

Do we have any precedent or advice on these kinds of questions?

Mr. Gregory Tardi (Parliamentary Counsel (Legal), House of Commons): Madam Chair, the lifespan of the existence of the Ethics Commissioner as an entity, under the newest form of the legislation brought in by Bill C-2, is far too short to be able to answer that. There is no real precedent yet.

Going beyond that, in an entirely legally based view—which has to be mine—what's at stake here is the application of the *sub judice* rule to the Office of the Ethics Commissioner. With respect, the Ethics Commissioner is not a court of law but an officer of parliament. That being said, it seems to me there is nothing in law or legal custom to prevent the committee from examining the subject matter, albeit perhaps not exactly the same issues as those within the responsibility of the Ethics Commissioner. Under her own legislation, the committee can choose, if it wants, to look at the general subject matter, to investigate the facts, and perhaps to draw conclusions, hopefully, other than those the Ethics Commissioner will draw.

• (0915)

The Chair: Yes, Mr. Albrecht.

Mr. Harold Albrecht: I just wondered about the potential for lawsuits. I understand that in this case and with one of the other motions we're dealing with there's a potential for lawsuits outstanding, or at least the filing of an intention to sue.

Is that a problem we would want to avoid?

Mr. Gregory Tardi: I think, Madam Chair, the way the questions is phrased, as to what the committee intends to do or wants to do, I would find it rather difficult to answer. The *sub judice* rule certainly would not apply, in my view, to cases that may perhaps eventually go before the courts. It could apply in cases that are before the courts now.

The Chair: Were you finished, Mr. Albrecht? Was that it?

Mr. Harold Albrecht: Yes, thank you.

The Chair: Mr. Kramp, then Mr. Angus.

Mr. Daryl Kramp: Can you give a bit of history and/or an evaluation on the precedent of what we are doing here. Is it normal for either multiple committees and/or investigations and/or hearings to be going on simultaneously?

My concern here is that we have a process going on before the Ethics Commissioner. That's acceptable and understandable. Then a committee might have a responsibility to deal with that same issue. It doesn't seem to make any sense to me that we would be running parallel investigations at the same time.

A classic example would be when this committee discussed accrual accounting. It had already been before another committee, at that time the public accounts committee. The public accounts committee spent close to two years, on and off, on the evaluation of accrual accounting. I was on the public accounts committee at that particular point and I recall that. It was not being studied at the same time by the government operations committee. They reported their recommendations through Treasury Board, and at that point this matter came before the government operations committee. When it came before the government operations committee we saw the recommendations the previous committee had made had not been accepted to the degree that committee had wanted.

We further studied the issue, brought in more information, took the information from the previous testimony that had been given before the public accounts committee, and then made what we believed to be a very strong and convincing case to go back to Treasury Board to say that the first submission, although they listened to it, might not have been complete enough. So we added much more information and demonstrable evidence. At that particular point we were successful in at least putting forward a motion.

I know I am digressing onto another topic, but my thought process behind this is whether we're doing this as a government operations committee. Perhaps the Ethics Commissioner or another two or three committees wish to study this. Regardless of what the issue is, why are we all doing it at the same time? It doesn't make any sense to me. To be able to have an evaluation take place, to be able to take all that information that has been received and then, if we wish, to go to another investigation or another hearing, that's fine. Take all the information that has been accepted, rather than redo it all at the same time and haul in the same witnesses at the same time—unless you believe there are contradictions there. Then you have enough information to be able to assess and pass proper judgment.

To me that seems to be the normal course of activity here. Is that not a normal process the government seems to follow? Do you find that we have multiple attacks and/or investigations going on at the

same time? Can you give us any history on that from your experience?

● (0920)

Mr. Gregory Tardi: Madam Chair, I think what Mr. Kramp is referring to is the benefit of economy of parliamentary time, an economy of effort and energy.

Within the last few years that has not always been the case. I think the train of events that most members around the table will recall as the most serious of the cases I want to mention is the sponsorship scandal. In the winter and spring of 2004, at some times there were no fewer than three separate investigations going on at once by the public accounts committee, the Gomery inquiry, and several matters before the courts. They all took place more or less simultaneously. They all started at different times and ran different lengths, but they were all in parallel or in tandem.

Generally speaking, the same scenario occurred with respect to the investigation of the Privacy Commissioner, Mr. Radwanski. At one time I recall there were no fewer than six or seven different efforts to look at various aspects of Mr. Radwanski's tenure.

The same thing happened last fall with respect to the RCMP pension and insurance matter and more recently with the Linda Keen incident, for lack of a better expression. So while ideally it's good to have economy of effort, it's not always possible.

The Chair: You are correct.

To be honest, when we did our report on accrual accounting, at the same time the public accounts committee passed a motion that was different from what we were reporting. We had done a study, and they had not done an in-depth study but did pass a motion at exactly the same time as we were passing our report. I think it happens on a regular basis.

Mr. Daryl Kramp: Granted, but using that example, we took the information and the minutes and the dealings and all of the testimony that had been given at the public accounts committee and put it into the application of our study.

Regretfully, if the system has been used either ineffectively and/or for whatever particular purpose other than efficiencies and, as you mentioned, in the way it should really be used, I don't think that gives us any licence to perpetuate more wrongdoing. Let's just get it right and carry on and do what we should do here.

The Chair: Thank you, Mr. Kramp.

I'll go to Mr. Angus.

Mr. Charlie Angus (Timmins—James Bay, NDP): Thank you.

I share Mr. Albrecht's concern about our running off on different tangents and about the need to be focused.

I think the issue here, however, is that we have been looking at the issue, the real estate sales. It is an issue we have tried to keep some kind of continuity with. I'm also noticing that it has been suggested that we at least put one day to it in the next cycle of meetings. This is something we have already been in the process of doing. I have written a letter to the Ethics Commissioner, and I'm certainly interested in hearing back from him on their point of view.

However, I think it would be odd for our committee to have another hearing on the real estate transactions when the elephant is in the room with something that has raised serious questions about Public Works staff, a member of the Prime Minister's office, and a big real estate deal in a federal building. Whether or not there's smoke or fire out of that, I don't know, but I would think that if we have a day set aside to look at the real estate issue, to actually look at this would probably be the most realistic use of time.

Whether something comes from it, we can find out from that meeting. But we're already on that path anyway, so I'd just as soon look at it and then move on.

[Translation]

The Chair: Ms. Bourgeois.

Ms. Diane Bourgeois: Madam Chair, I think we are ready to vote on the amendment. If possible, could you call the question?

● (0925)

The Chair: Someone else wants to speak.

Mr. Albrecht.

[English]

Mr. Harold Albrecht: Thank you very much, Madam Chair.

There's one fundamental issue that we need to remember as a committee, and that is that it's fine for us to study issues of policy—Mr. Kramp mentioned the accrual accounting example. I don't see any problem with two committees studying policies and coming up....

Here we're talking about delving into a specific case that has already been referred to an officer of Parliament who has been appointed by Parliament. It seems to me it would be wise for us, as much as possible, to stay out of looking at those individual issues, as opposed to looking at the broader policy issues, at least until that person has had a chance to respond to us.

We're constantly getting into the minutiae of the administration, when we have officers who are appointed to deal with any misappropriations or misdealing. Our responsibility is to frame policy to help avoid those kinds of scenarios. I think we're getting off on all kinds of rabbit trails.

I really believe it's important that we pass this amendment, so that we wait until after the Ethics Commissioner has reported.

The Chair: Is there any more debate on the amendment, which is that we not study this issue until after the Ethics Commissioner has had an opportunity to examine and report back?

All those in favour of the amendment?

(Amendment negated)

The Chair: On the main motion, we have Mr. Moore.

Mr. James Moore: This motion is a fishing expedition, entirely unnecessary. I would request that we do the same thing we're doing on the other fishing expedition about the light rail issue. We should have the committee demonstrate a bit of discretion. This one is worse—it's a fishing expedition of an extraordinary kind. In the last motion we agreed that this issue would be dealt with in a single committee meeting.

We have a witness list here. Each meeting is a full two hours. In respect of the motion by Madame Faille, I don't see why we couldn't deal with all this at one committee meeting. We could place it under the same limits we set in reference to the other motion by Mr. Holland.

We talked about how we don't want this committee to turn into a circus. According to the other motion, we're going to meet in a committee room such as this, without cameras. If members of this committee actually have a serious and substantive question, they don't want the committee turned on its ear for the sake of partisanship. This was the appropriate action taken on that motion.

With regard to this motion, the central questions asked in the newspaper articles had to do with the appropriateness of the lobbying and the relationship of those involved in the meetings. These questions are straightforward and ought to take only one meeting to answer.

I would suggest that we apply the same restraint we've imposed on Mr. Holland's motion to the present motion. We will have it in one meeting, which would last two hours, so we don't sidetrack committee business. We could have it in one two-hour meeting in a room without cameras. This way we wouldn't get into nonsense and soap opera partisanship. We could show some restraint, which I notice that other committees are not managing to summon. But I think we can do it. We will be making the right call.

The Chair: Is there any other debate on the main motion?

I call the question on the main motion.

(Motion agreed to)

● (0930)

The Chair: The main motion is carried, so we'll see what we can do.

I also think this motion we've just passed fits in with our study of real estate.

Mr. James Moore: How so?

The Chair: We may need to know what happens with these long-term leases and how we end up in these court cases. I've often been told by Public Works that we're signing this great lease and we're not going to get into trouble. But what happens when people stop maintaining buildings and that kind of thing? It fits into that. Maybe it's something that has to be considered. I'm just adding this, because it has to do with the overall decision of whether to buy outright or lease. I'm not talking about interference or non-interference. I'm just saying it's a topic that fits in with this.

Should we lease long term or should we purchase? Now we find out that these two buildings have been the subject of litigation for 10 years; at least that's what we were told.

Mr. James Moore: Madam Chair, these issues actually have absolutely nothing in common, other than the fact that Michael Fortier has been asked to be a witness in both circumstances. With regard to the sale of government buildings, I guess this could dovetail into my second motion, but actually there is no relation between the two issues. The allegation made in the *Globe and Mail*, which is the source of Madame Faille's motion, had nothing to do with the sale or lease-back.

The Chair: I realize that.

Mr. James Moore: I would remind the committee that Minister Fortier has been before us five times—three times for two hours on the issue of the real estate sale—and each time the committee adjourned early because we ran out of questions.

[Translation]

The Chair: Ms. Bourgeois.

Ms. Diane Bourgeois: I am going to continue along the same lines as you, Madam Chair.

When we continue our work on the sale of federal buildings, I would like us to have information on two of them. Apparently, their plumbing is inadequate and the buildings are very old. It also seems that some employees are housed in them. We had not really dealt with that situation, because we did not know what the problem was.

[English]

The Chair: Now, on to the next motion. The next motion is Mr. Moore's motion.

Mr. James Moore: Thank you, Madam Chair.

The motion everybody has before them is just an attempt to actually codify what the clerk circulated to us last week, which was the order of business that the committee has already agreed to.

The first one on February 12 is cleaning up what we've already begun to study. The second one speaks to what Madame Bourgeois just said two moments ago with regard to the real estate plan.

We already have witnesses lined up on every single one of these days who have already made the commitment to be here, to set aside their time to prepare their presentation. All I'm asking with this motion, frankly, is just for certainty of planning.

We know we're conceivably going into an election time here, and I think some of us would like to have some clear understanding of what this committee is going to be dealing with in the coming couple of weeks. So that's all this was, an idea, because we were debating last week about what was coming up and what wasn't. Every single one of these dates is already cemented, if you will.

The Chair: Except for today.

Mr. James Moore: Yes, precisely. These were all issues that were discussed at this committee last week, about how we need to focus and make sure we're respecting the motions that have already been passed by this committee, and that's all this motion is an attempt to do.

Therefore, I move the motion.

[Translation]

The Chair: Thank you.

Ms. Bourgeois.

Ms. Diane Bourgeois: My question is for Mr. Moore, but also for our research officers. At the moment, we are studying the turnover rate of public servants, but then some compensation advisors came to see us and told us about a serious problem. I would like to know if the compensation advisors are included in this file. I do not want to let anything get by us. We do not have much time, and I am wondering whether the term "geographic distribution" is the best one to use, or whether we ought to use the words "turnover rate of federal public servants and compensation advisors". I do not know any more.

The Chair: Perhaps we forgot to include that in the motion. We should report on the whole question of compensation. I think we could ask our research officer to prepare a document for us to study. This is an important matter on which it should be possible for us to agree.

Ms. Diane Bourgeois: Madam Chair, with the turnover rate, we get into the geographic distribution.

The Chair: Yes, but that does not deal with the problem directly. That is more or less halfway between the two and I think that we should perhaps go for a report that deals with payroll problems and then deal with the distribution of it all.

● (0935)

Ms. Diane Bourgeois: Are we going to need new wording for February 12?

The Chair: It is the 12th today.

Mr. James Moore: In my opinion, the most important thing is that list that we gave the clerk last week. It dealt with the order in which people would appear. I really have no objection with changes to that. For example, we could limit evidence to one hour on February 28. The sequence is the most important thing, however.

Ms. Diane Bourgeois: If I may, Madam Chair, I am moving along the same lines, the sequence, that is.

We passed a large number of motions last week and I would like to know if the clerk intends to suggest a different sequence. Am I bugging the clerk if I ask that question?

The Clerk of the Committee (Mr. Michel Marcotte): As you just said, there are a large number of motions. But they have been put in a certain order. That is why, on Thursday, we are going to look at the federal government's real estate plan, with Ms. Michèle Demers, from the Professional Institute of the Public Service, as a witness. Then Ms. Nathalie Bull, from the Heritage Canada Foundation, had asked to appear before the committee after Minister Fortier's appearance here last December. We could conclude with those appearances. Otherwise, we have Ms. Christiane Ouimet scheduled to appear the week after the break. Last October or November, she asked if she could meet the members of the committee to make a presentation about her office. So I put the three meetings that were requested as a result of the motion that was passed one after another...

Ms. Diane Bourgeois: Is that Mr. Angus' motion about Justice Gomery's recommendations?

The Clerk: No, it was not the one about Gomery, it was Mr. Holland's

Ms. Diane Bourgeois: No, I think Mr. Holland had...

An honourable member: That was about Linda Keen.

The Clerk: That is correct. It was passed at meeting 9, in January, that is.

Ms. Diane Bourgeois: So that was about Atomic Energy of Canada, I think. So there were three meetings.

The Clerk: That is correct, that is what the motion indicated.

Ms. Diane Bourgeois: In that case, I am going to dare to go a little further, Mr. Clerk. So we are going to have three meetings about the problems involving Mrs. Keen. Does that mean three two-hour meetings?

The Chair: That is a lot of meetings on the subject.

Ms. Diane Bourgeois: That is what we decided. That takes us up to when? The budget will be tabled on the 26th, and we do not know what will happen afterwards.

The Chair: I do not know if we agreed to have three meetings to talk about the problems involving Mrs. Keen. We will have to check the minutes of the meetings. Did we specifically say three meetings? I do not know.

Ms. Diane Bourgeois: Now am I bugging the clerk, by any chance?

The Clerk: No, it was not written into the motion like that, but, during the discussions, we mentioned three meetings on the subject.

The Chair: So, it is not a motion, we are not required to have three meetings about it.

Ms. Diane Bourgeois: Fine. My last question deals with the governor in council appointments. Do they absolutely have to been made in the next few days or can they wait?

The Chair: That is for the committee to decide, because it was part of Mr. Moore's motion that we started to discuss.

Mr. Holland had asked to speak.

[English]

Mr. Mark Holland (Ajax—Pickering, Lib.): Merci beaucoup.

I'm just going to move an amendment, if I could, that recognizes that we did pass a number of motions and that we have to deal with those. I notice that February 12 has the issue of geographic distribution and turnover rates. Today is February 12, so I don't think.... But I'm going to leave that for now.

On February 14, I would suggest we deal with Madame Faillie's motion; on February 26, with the motion I brought forward with respect to light rail; on February 28 and March 4, with the GIC appointments. Then I would suggest March 6 would be the federal government real estate plan, and the meeting after that would be for Public Sector Integrity Canada. That would take us to the break.

This motion deals with the fact that the committee moved motions that were adopted by the committee. So I think those are the priorities of the committee, but they will still allow us to deal with the other items.

• (0940)

The Chair: We've heard the motion moved by Mr. Holland.

Mr. Moore.

Mr. James Moore: I'm curious to know what Mr. Angus thinks about Mr. Holland just pushing his motion aside into the gutter until past the election.

Mr. Charlie Angus: Without having it in front of me—and I'm looking at the dates—I would think we need to deal with the Linda Keen thing, but I think we will still be able to do so.

I just want to get this done. I think we could sit and argue about dates forever, but I'm fine with moving ahead on this.

The Chair: Okay.

Mr. James Moore: With the amendment or with the original...?

Mr. Charlie Angus: With the amendment, so we can deal with this and we can get the appointments, and then, if time allows, we can go back to our issue on public servants and their geographic distribution.

[Translation]

Ms. Raymonde Folco: Thank you, Madam Chair.

I am new to this committee. I would really like to understand something. Who drew up the calendar with the proposed dates? Was it you?

The Chair: It was drawn up by the committee.

Ms. Raymonde Folco: By the committee as a whole?

The Chair: Yes. We were trying to see what we could get done. It was not possible for us to hear from the people from Passport Canada today. We had difficulty scheduling the people from Revenue Canada. They told us that they could come at the last minute, but since we had so many motions, I decided to set that meeting aside for motions and for planning. As I told you, I am always interested in reporting on payroll problems. I would like us to ask our research officer to prepare something that we could study. It is important for us to talk about it, and prepare the report, before the end of the session, because it is a big challenge. We could see if we can find a little time to do it. It is so important for everyone that we must deal with it. Apart from that, I am at your disposal.

Ms. Raymonde Folco: I have chaired a committee and, in Mr. Moore's motion, I do not see that the dates submitted and the dates you are proposing here completely coincide. Normally, in the committees where I have been working for a long time, a calendar is submitted. But it does not seem likely—to say the least—that the dates Mr. Moore suggests in his motion are going to coincide. I am trying to understand what the process was.

The Chair: We had a work plan to start with, but since then motions have been passed. Some members of the committee wanted us to talk about those motions before doing the work we planned. Mr. Moore was in agreement with what had been planned. That is what is happening.

Then, Mr. Holland made a motion to change the plan because he was apparently interested in discussing something else before finishing what we had put forward. That is what happened. We had no formal motion, but it was a committee work plan that everyone had agreed to.

Ms. Raymonde Folco: In that case, I have a suggestion for the committee. Since members of the committee from both sides of the table have made motions precisely in order to show how important it is to discuss these points in committee, it seems to me—and the clerk can correct me if I am wrong—that these motions should therefore have priority. We should discuss those motions as a priority before proceeding to the agenda as such. That is my proposal.

The Chair: At the moment, we are discussing Mr. Holland's motion which proposed moving to another subject.

Ms. Folco: They go together, Madam Chair.

The Chair: They go together, agreed.

Mr. Kramp.

[English]

Mr. Daryl Kramp: I just want to go on the record here. From having served on the public accounts committee, which is supposed to be a non-partisan committee but unfortunately partisanship rears its ugly head now and then, to coming to this committee, I really think we need to have some honest reflection.

Back when this committee was established as a result of the Williams-Catterall report, it was expressly put together to make recommendations as to the efficient and effective operation of government. It was an absolute oversight committee. As such, its intention was to go beyond the realm of partisan politics and to try to be responsible in its approach and make recommendations as to how government can run more effectively and more efficiently.

Quite honestly, when we have schedules coming in and then other motions come forward suggesting the schedule should be changed, obviously it's for blatant partisan purposes. That is running right in the face of what this committee is established to do. We have a number of serious studies under way, and we are not going to end up putting a report in on them. We will have effectively wasted every bit of our time. Why the hell did we even have these witnesses in here, listen to them, and try to come up with a sense of direction for this committee to be able to make proper recommendations to the House of Commons, when all of a sudden, as we get a little closer to election, people now want to say let's circumvent the intent of this committee and just play all of our games? That's happening.

I just want to express my personal distaste, my total lack of respect for anybody, regardless of whether they are colleagues on any side of this table, who participates in hijacking this committee and working against the actual expressed intent of this committee.

This is not one of our regular committees that stands before the House of Commons; this is an oversight committee. Quite frankly, once we allow the partisan games to take place on any side of the House, whether it's the opposition or the government side, then we have thwarted the purpose of this committee. I know right now, and so does every person on this committee, that despite all the good we have done on this committee, the witnesses we have heard, we're not even going to have a report coming out. Then what have we effectively accomplished for the Canadian people? Diddly-squat.

So I ask every member to take a look at themselves on this and decide if you want to continue to play personal partisan games or if you want to get on and do the job we need to do. I mean that very,

very sincerely. This is not a partisan statement. I came here to do a job, and I will not participate in this kangaroo circus we have going on here.

● (0945)

The Chair: Thank you, Mr. Kramp.

Go ahead, Mr. Albrecht.

Mr. Harold Albrecht: Thank you, Madam Chair.

I'm opposed to this amendment, mainly because it's not an amendment; it's really a new motion. It substantively changes the intent of the original motion.

But further, as my colleague indicated, the clerk, along with the subcommittee, laid out a proposed agenda for us, and as a committee we agreed to it. And here we are again, flying off in the direction of every news clipping that comes along.

It seems to me that this is just further evidence that it is really hard to set priorities. This is just more evidence of that.

This motion, the original motion, was given with an intent to firm up the process so we could get on with doing the work Parliament asked us to do. So I am opposed to the amendment.

The Chair: Thank you.

We'll have Madame Bourgeois.

[Translation]

Ms. Diane Bourgeois: I would just like to add, before we call the question on Mr. Holland's amendment, that I understand Mr. Kramp's frustration completely. I feel that we are here to provide answers, to do the job as conscientiously as possible. We all agree with him. If we really want to move forward, we have to stop putting obstacles in the way, for one thing, and, for another, we have to be transparent. If we have nothing to hide, we can talk. Things will proceed more quickly if we do. Let us pass our motions quickly and then get our work done as well as we can.

[English]

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

Mr. Chris Warkentin (Peace River, CPC): Thank you, Madam Chair.

I'm wondering if I could get a clear understanding of what exactly is on the table right now. What exactly has the amendment set forward in terms of the changes?

The Chair: Basically, the amendment starts on February 14 and changes that to Madame Faille's motion.

February 14 would be the motion by Madame Faille. February 26 would be the motion by Mr. Holland. Then February 28 would be GIC appointments. March 4 would be GIC appointments. March 6 would be the federal government real estate plan.

● (0950)

Mr. Chris Warkentin: In terms of Madame Faille's motion, who exactly is being asked to come to present?

An hon. member: Read the motion.

Mr. Chris Warkentin: I don't have it.

Have we contacted any of these folks? If we don't have the assurance that they'll all be there, will we then move this? I'm just curious. Having already set up the federal government's real estate plan and having the witnesses available already, is there a challenge in ensuring that everybody is going to be available a day and a half from now?

The Chair: There may be a challenge in that. It is always a challenge, as you know, because we try to get people and sometimes they can't come when we want them to. It can be a challenge, believe me. Ask the clerk. He spends a lot of time trying to get people to come to committee.

Mr. Chris Warkentin: Madam Chair, I'm just looking for some direction. If there is difficulty, or if we're not able to get all the participants, I'm not sure that it would serve the committee well to go forward with that meeting.

Seeing as we already have a committee already planned, with witnesses arranged, I'm wondering, for the sake of planning, if there isn't some better—

Mr. James Moore: On this exact same point, we're saying that for February 14, this Thursday, we're asking Mr. Housakos, Mr. Fortier, Mr. Loiselle, Mr. Rosenberg, Mr. Lemieux, and Mr. Soudas to come before the committee. For the following Tuesday, Mr. Holland has his list: Wouters, Wessel, Kirkpatrick, O'Connor, and Chartrand. That's the Tuesday after the break. Then in the meeting after that we will have Public Sector Integrity. And all these things are going to be cemented in now. So this Thursday.... Is that what I am to understand? Is that basically what you are saying?

The Chair: Yes.

I don't know—

Mr. James Moore: I just want to understand. We said that for Mr. Holland's meeting, because there is litigation, the meeting with the folks from Ottawa city council would be essentially in a room without counsel, in camera, but on the record.

The Chair: If Mr. Holland's motion passes, I'd like us to move in camera so we can discuss which way we go. We have here our legislative clerk for exactly that reason. I want to make sure that everything is done right if this goes forward. That's really why Mr. Tardi is here. It is to address some of these issues. It is important, if this amendment passes, that we go in camera to discuss this before we move forward.

Did you want to speak again on the amendment, on Mr. Holland's amendment?

Mr. Chris Warkentin: I'm just seeking clarification from you, Madam Chair.

In terms of the lists before us, if the clerk finds it impossible to get the witnesses, what do we do with them? Is it all or nothing? Is it two out of...?

The Chair: We don't know what will happen. If we don't get all the witnesses, or if we don't get some witnesses, or if we don't get any witnesses, I'll be very happy to bring in the pay and the other things that I'd like to report, if you give me the flexibility to do that. If we really can't get anybody or if the meeting is shorter, I really want us to try to fit in some of these issues.

If we are going into an election, we owe it to public servants to make that kind of a report. I've asked our analyst to start writing something.

Mr. Chris Warkentin: On that point, could somebody tell me, are we having an election? I've heard it batted around.

The Chair: We are. Mr. Warkentin, let me tell you that either way there will be an election. When, I couldn't tell you. It could be any time. It could be in two years.

Let's go back.

Mr. Mark Holland: Can we call the question?

Hon. Diane Marleau: All those in favour of Mr. Holland's amendment?

(Amendment agreed to)

The Chair: Now we have to vote on the main motion as amended. All those in favour of the main—

● (0955)

Ms. Raymonde Folco: Excuse me, could we have the main motion as amended?

The Chair: I'd like to get the clerk to read it. I just made my own notes. Maybe we can have it officially.

[Translation]

The Clerk: It reads as follows:

that the motion be amended by replacing the words "6 meetings" with the words "5 meetings" and everything that follows by:

February 14: political interference by the Prime Minister's office

February 26: light rail transit project

February 28: governor in council appointments

March 4: governor in council appointments

March 6: federal government's real estate plan.

[English]

Mr. James Moore: For lack of a better explanation, starting Thursday we're going Faille, Holland, the Linda Keen issue on two days, and the real estate.

The Clerk: Yes, for the next five meetings.

(Motion as amended agreed to)

The Chair: Thank you very much, everyone.

I would suggest that we take a short break and move in camera. I would like us to discuss with the legislative clerk what we can and can't do.

[Proceedings continue in camera]

● (0955)

(Pause)

● (1025)

[Public proceedings resume]

[Translation]

The Chair: The meeting is once more in public.

Ms. Bourgeois.

Ms. Diane Bourgeois: If I brought this up at the start of the meeting, it is just because the subcommittee met and did its work. I saw that the chair of the ad hoc committee was very open to the matter of accrual accounting. His assistant attached the Auditor General of Canada's letter, which I did not agree with at all. That letter has been sent.

The subcommittee had no decision-making power, it was a working committee. Before I arrived, the members of the committee had already begun to study the accrual accounting. The budget will soon be tabled. So I feel that it is very important that we be able to use accrual accounting. However, I notice that it is mainly the departments that are having a little difficulty in applying it.

I would like you or the members of the committee to tell me two things.

First, since accrual accounting is already used in reports presented by the Treasury Board, does it mean that the work done by the subcommittee and by our committee will be of no use because the departments will be required to use the accrual method?

Secondly, on many occasions, I tried to show the committee that you cannot have accrual accounting without strategic planning. Each time, it was like I was jumping out of a box of *Cracker Jack*, but that is fine. Strategic planning means the three-year planning we are used to. It does not mean much to us, but it requires time and performance indicators.

Is our committee now going to hold off asking for planning that will be just like it normally is so that strategic planning and accrual accounting can be combined?

• (1030)

The Chair: I do not have it in front of me, but, as I recall, the report we tabled in the House recommended that a key contact in the Treasury Board would be appointed to make sure that all departments complied. Am I right? Yes.

Frankly, it is up to the Treasury Board to decide if it wants to go ahead and make sure that the government as a whole does it.

That said, we could make another motion would highlight the results of our study and the letter that we sent to the Treasury Board. That it all I can tell you.

Mr. Kramp.

[English]

Mr. Daryl Kramp: On the issue of accrual accounting, I'd like to thank all of the members who participated in the working committee. Although it was at some times testy and difficult, I do believe that all of our intentions were admirable and actually very similar, to such an extent that we did come out with a general consensus. Subsequent to that, we still had a concern that the Auditor General had not played the final significant part in our submission. However, subsequent to our report, the Auditor General did report back to us, and we accompanied the Auditor General's concerns, along with our report, to Treasury Board.

The general focus of the Auditor General's report seemed to be two areas. One, she was concerned that there wasn't enough focus on the long term. In order to get the proper benefit, the accrual process

definitely had to be over an extended period of time rather than simply a one-year cycle, and I think that was well registered. The second point, of course, was going back not to the checks and balances but to the instruments by which we were able to assure that we were getting the results on a step-by-step basis and the accountability that would go with that.

With that having now been presented to Treasury Board, it's my understanding that Treasury Board has an obligation to respond. I don't know how they are going to respond or exactly when, but it's my understanding that some time in March, whether it's the end of March, they will have received this, and they have some process by which to be able to.... I don't know where they're going with this. I don't know whether they're going to say yes, we accept everything 100% and this is what they're going to do, but my expectation is that they are going to be coming back.

I would suggest that it would be right and deemed to be responsible if, as a committee, we were to personally ask them to respond to this committee with their recommendations, although it's going to have to go to Parliament as a whole at some point for the decision on what recommendation will go forward. As a committee, because we have been studying this issue for so long, whether it's through the public accounts or the government operations committee, I think we have a little bit more knowledge per se on this issue, and I think we could pass some short-term judgment or critique or offer an assessment of what they have put forward.

If we do that, then I think we really will have fulfilled the real genuine value of this committee, which is to suggest how government can be run more effectively and more efficiently so they can make good decisions. This is a crucial issue that at some point, when this committee gets beyond our other topics, I hope will be brought back to this committee. To me it's a priority. This is one of the things that we should be dealing with that not only justifies our existence but definitely would give good value for the Canadian taxpayer.

Those are my thoughts on this issue, but that's just a personal thought from one of the people who was working on that committee. Once again, thanks to everybody who did participate, because I think we did justice to it.

• (1035)

The Chair: Thank you.

My understanding is that the President of the Treasury Board has said he would be responding by the end of March. I think Mr. Kramp is perfectly correct when he says maybe our response should be after that.

Madame Bourgeois.

[Translation]

Ms. Diane Bourgeois: I do not want to prolong the meeting unduly, but I would just like to point out two things to Mr. Kramp. First, we were told that the Government of Canada had already started to prepare part of the budget using accrual accounting. Do you remember that?

The problem is that we get overall budgets submitted to us using the accrual method whereas, in the departments, that is not the case and they continue to use the cash method. For me, it is important mainly because we cannot see that a program no longer exists. Let's imagine, for example, that we free up a million dollars for the Correctional Service of Canada for a series of programs as part of their expected operations. Three or six months later, we look at the figures and approve a supplementary budget without knowing for sure whether programs that no longer exist have completely disappeared from their overall budget. For me, this is important.

You may tell me that the amounts are small, but they are amounts that could add up to a huge surplus at year-end. I feel that we must make sure that the departments also work by the accrual method, Mr. Kramp, and not by cash accounting. The government must change all at once and bring a budget to us. At present, figures may be wrong. This is important to me.

[English]

Mr. Daryl Kramp: Actually, the very problem that you've intimated—being able to delegate down through all the full departmental concurrence instead of just simply being an overall government strategy—and their ability to enact this were demonstrated very clearly to be a significant problem for the provinces, both Ontario and B.C., but they were able to work through it. They put forward a number of suggestions. So I think that recognition has gone to Treasury Board.

I agree with you that we can't just simply have it at a level. It has to be carried down through. That's why agreeing to implement accrual accounting is one thing, but doing it is something different. There is definitely going to have to be a very, very serious plan of action and a full layout and timeframes and allocations. One of the problems that was brought forward, of course, was even the training of staff, because the accrual accounting process is a very difficult thing to follow. I certainly have had a great deal of difficulty trying to follow it, and all the departmental staff as well aren't necessarily trained in that capacity. So it's not going to happen overnight. But there's no doubt that unless the problem is identified, it won't be addressed. So I think we have to keep our eye on that ball and press Treasury Board to implement that type of process, but we'll have to see what they're coming forward with.

I hope it's a complete long-term, full package, but I don't know what we're going to see.

● (1040)

[Translation]

Ms. Diane Bourgeois: In that case, Madam Chair, could we mention it in our report—if we have the time to write a report—and mention a few things like the fact that a subcommittee worked on it and then it came back to us? Is it possible to lean in that direction? Our committee has dealt with a lot of matters. I imagine that the report will report on three, four or five matters it has dealt with. Is that right?

The Chair: We could do that before they respond, but, after all the work we have done, I think it is preferable to see how they are going to respond and what they are going to say. They have the Auditor General's recommendations. If the committee wishes, we could pass a motion asking the President of the Treasury Board to pay specific attention to the points raised by the Auditor General in her report. We could do that, but frankly, we should wait until the President of the Treasury Board responds. We have done essentially everything we can do up to this point. It is always possible to pass a motion asking him to pay particular attention to the Auditor General's letter.

You have the floor, Mr. Kramp.

[English]

Mr. Daryl Kramp: One thing we could do that would pre-empt all of this, recognizing the Auditor General's emphasis on accrual accounting over the years and her desired expression to see this implemented in totality, is after Treasury Board makes a submission to this committee and/or to Parliament, I think it would be appropriate to have the Auditor General back to this committee to offer her assessment on the recommendations the Treasury Board has come forward with. She will be into the nuts and bolts of the issue and will have a better understanding than we will. We have the overview, per se, but I think she might be a beneficial witness to pull forward at that time to offer assessment.

[Translation]

Ms. Diane Bourgeois: That is fine, thank you.

[English]

The Chair: Merci.

Are there any further subjects to deal with?

Seeing none, I'll adjourn the meeting. Thank you, ladies and gentlemen.

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