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CANADA

# **Standing Committee on Government Operations and Estimates**

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**EVIDENCE**

**Tuesday, June 16, 2009**

—  
**Chair**

**Mr. Derek Lee**

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## Standing Committee on Government Operations and Estimates

Tuesday, June 16, 2009

• (1125)

[English]

**The Chair (Mr. Derek Lee (Scarborough—Rouge River, Lib.)):** We're resuming our meeting in a public session, and we're looking at future business proposed by Ms. Hall Findlay.

**Ms. Martha Hall Findlay (Willowdale, Lib.):** Thank you, Mr. Chair.

This motion follows on the motion that was passed the last time, asking for various information from Treasury Board. As you have summarized, Treasury Board came back and said that Public Works is the better department to ask for that information. This motion is in effect a follow-on to the last one that was passed, but now we're asking Public Works and Government Services to provide the information.

However, if I can dispense with reading the motion, given what the chair just said before we got onto the public record, there was a concern that the expenditure monitor for fiscal fourth quarter of 2008-09 was not complete, so we would like to change paragraph 3, the last paragraph, to read as follows:

the Comptroller General of Canada and/or such other representative(s) of the Comptroller General of Canada deemed appropriate by the Chair of the Committee...appear before the Committee on June 18, 2009 to discuss

—and here would be the change; instead of “CFMRS data”, we would have—

the expenditure monitor for fiscal fourth quarter 2008-2009 as is.

So it's not to provide it, but to be able to discuss where that information is to date.

Do I need to officially move that?

**The Chair:** I'll take it as having been moved by you.

Is this just part one of the motion or all of it?

**Ms. Martha Hall Findlay:** We dispensed with reading the whole motion. I just added the change.

**The Chair:** It's the whole motion.

Would you like to make any further case for the adoption of your motion at this time?

We'll then have interventions from other members, or if there isn't any debate, we can put it to a vote.

**Ms. Martha Hall Findlay:** I don't think I need to say more. There's nothing wrong with asking for the information. The motion was passed. We were simply informed by the Treasury Board that we should be asking a different department.

**The Chair:** Are there any other interventions from colleagues on this?

**Mr. Chris Warkentin (Peace River, CPC):** My only Intervention is that this would tie up our final meeting and divert some of the time allotted for Ms. Barrados to that. That's the only concern I would have. Other than that, let's just move and get on to our witnesses today.

**The Chair:** Could I clarify with the mover that if the motion were to be adopted and the Comptroller General or other representative showed up, it was your intention that we make room in the meeting for this? The meeting or at least part of it has been given over to the Public Service Commissioner.

**Ms. Martha Hall Findlay:** Yes, but my expectation is that this would be relatively quick. I know we're packing a fair bit into that meeting, but it's important to be able to do so.

**The Chair:** Your main objective is to get the information and not necessarily go over it with a fine-tooth comb.

**Ms. Martha Hall Findlay:** Absolutely, and if the Comptroller General could come and give us something, we could say thank you and move on to the next witnesses. That would be great.

**The Chair:** Is there any other debate on this?

I'll put the motion moved by Ms. Hall Findlay. It's been read or referred to, and you have copies in front of you.

(Motion negated)

[Translation]

**Ms. Diane Bourgeois (Terrebonne—Blainville, BQ):** He was in agreement just now. He was there; he agreed with you. You agreed, did you not?

[English]

**Mr. Chris Warkentin:** It was just with using the meeting for that. That was the only concern we had.

**Ms. Diane Bourgeois:** It's a little bit of time. It's 20 or 30 minutes?

**The Chair:** At this point, we're having some post-voting discussion.

**Ms. Martha Hall Findlay:** There was a misunderstanding on what we were voting on.

**The Chair:** That's okay. We can allow time if members want to make interventions. We have a few minutes available.

**Ms. Martha Hall Findlay:** Did I miss what your concern was with this?

**Mr. Chris Warkentin:** My concern was, and our concern is, that we're inviting several witnesses to a meeting that we thought had been established some time ago for another purpose. That's the only concern.

On a point of information, I know that the Comptroller General is appearing before PACP right now. It's not as if these folks aren't available and haven't been available to other committees. This hadn't been on the agenda in the committee, and we thought it would be better to proceed with the schedule as we complete this year. The information, I think, has been requested, and the information will be forthcoming. That's our understanding. I just don't see the purpose of the committee doing the work that other people have already undertaken, especially when we had a scheduled witness coming in.

**Ms. Martha Hall Findlay:** With all respect, we have our own obligations in this committee.

**Mr. Chris Warkentin:** Absolutely, we do.

**Ms. Martha Hall Findlay:** To the extent that Public Accounts is actually having its discussion with the Comptroller General, that may be satisfactory. Would you support the motion if we just took number three out?

**Mr. Chris Warkentin:** I think the motion has been dealt with, but I think we could probably have a discussion leading up to the next meeting. Certainly, I'd be happy to go for coffee. I know that our leaders are going for coffee this afternoon.

**Ms. Martha Hall Findlay:** No, that was a fairly blunt question. Your concern was appearances at the meeting. Would you support the motion if we took number three out?

**Mr. Chris Warkentin:** It still doesn't address the fact that we're still calling for other people to appear before the committee and taking a portion of that time.

**Ms. Martha Hall Findlay:** Mr. Warkentin, would you support it if we took out numbers two and three? We very much want this information. All humour aside, we very much want this information. We were told by one department that it was another department, so we'd really like the information. If we were to remove numbers two and three to address your concerns—

**Mr. Chris Warkentin:** Let's maybe have other negotiations involved with the senior witnesses.

**The Chair:** I'm going to propose a mini coffee break here. There seems to be some discussion occurring on the substance of the motion that has been defeated. I feel as though we should go to our witness now. While the witness is here, members are free to discuss amongst themselves if there is to be any further discussion. I'm in the hands of members. If members want to reconsider any part of this in some way, we can.

Mr. Anders.

**Mr. Rob Anders (Calgary West, CPC):** Mr. Chair, I just didn't like the motion. I don't want my feelings insulted.

**The Chair:** No, we're getting along quite well here.

I'm going to look for motions now to report the supplementary estimates (A). In my view, colleagues, we did not go to all of the data, all of the estimates, but we did have a look at Treasury Board, and we did have a look at Public Works on the supplementary side

and in the main estimates. I'm of the view we should report those back to the House, if colleagues are of a view to do so.

The other supplementary estimates (A), which we did not have meeting time devoted to, were Canadian Heritage and Privy Council. I'm not proposing that we report those back, having not had the time to look at them, but for the others I am.

I would be delighted to have a motion that we report back votes 1a, 5a, and 6a under Public Works, and then we could do that before the expiry, the end of the rules. Is there any member prepared to move that? Mr. Warkentin will move that. Thank you.

#### PUBLIC WORKS AND GOVERNMENT SERVICES

Vote 1a—Operating expenditures.....\$279,043,899

Vote 5a—Capital expenditures.....\$70,920,000

Vote 6a—Real Property Services Revolving Fund.....\$1

(Votes 1a to 6a inclusive agreed to)

**The Chair:** Then under Treasury Board...I should note that this stuff may be carried on division as well.

#### TREASURY BOARD SECRETARIAT

Secretariat

Vote 1a—Program expenditures.....\$8,141,104

Vote 20a—Public Service Insurance.....\$74,905,000

Canada School of Public Service

Vote 40a—Program expenditures.....\$796,860

Vote 55a—Program expenditures.....\$0

(Votes 1a to 55a inclusive agreed to)

**The Chair:** As I read it, it carries by a thin margin.

Shall I report the supplementary estimates (A) 2009-2010 to the House?

**Some hon. members:** Agreed.

**The Chair:** All right. Thank you for that.

Now we'll go to our witnesses. Could I ask, if my voice is within range, the witnesses from the Auditor General's office to take positions at the table? Thank you very much.

Colleagues, the Auditor General recently presented her report to the House of Commons, which she normally does. We have issues that have come up with chapter 7 of the 2009 spring report.

We have as witnesses here today John Wiersema, Deputy Auditor General, and Richard Flageole, Assistant Auditor General.

Welcome, witnesses. I would ask you to make a presentation outlining the, I believe, three crown corporations with which, or in relation to which, you found deficiencies that were notable. I think you could use this time to outline those to us, along with any other concerns that the Office of the Auditor General would want to put to our committee. The floor is yours.

• (1130)

**Mr. John Wiersema (Deputy Auditor General, Office of the Auditor General of Canada):** Good morning, Mr. Chairman, and thank you for this opportunity to discuss our chapter on special examinations of crown corporations. As you indicated, I'm joined at the table this morning by Richard Flageole, an Assistant Auditor General in the office.

Crown corporations represent an important part of federal government activity. They employ over 92,000 people and manage over \$185 billion in assets. Crown corporations are accountable to Parliament through the responsible minister, and as required by part X of the Financial Administration Act, we periodically conduct special examinations of crown corporations. A special examination is a form of performance audit. It provides an independent opinion on whether or not there is reasonable assurance that a crown corporation has systems and practices in place to ensure that assets are safeguarded and controlled; that financial, human, and physical resources are managed economically and efficiently; and that operations are carried out effectively.

Any major weakness in the key corporate systems and practices that would prevent it from achieving those objectives is reported as a significant deficiency. As such, our special examination reports provide important information that parliamentarians can use to hold crown corporations accountable.

In the March 2004 budget, as part of measures designed to strengthen management and accountability, the government announced that it intended to require crown corporations to make public their special examination reports from the Auditor General, and since then all crown corporations receiving our reports have made them available on their websites.

• (1135)

[Translation]

Last year for the first time, we tabled a chapter that provided, among other information, summaries of eight special examination reports as well as the status on our special examinations of 46 crown corporations. This year, we continued the practice and presented the main findings of our reports for an additional eight crown corporations.

We are pleased that the committee is taking an interest in these special examinations and we will continue to present this information annually in our report. Chapter 7 includes summaries of reports that we issued and that have subsequently been made public by the following eight crown corporations: the Canada Council for the Arts, Defence Construction (1951) Limited, the Federal Bridge Corporation Limited, the Great Lakes Pilotage Authority, the International Development Research Centre, the Pacific Pilotage Authority, Parc Downsview Park Incorporated and VIA Rail.

Of these eight special examinations, we identified no significant deficiencies for five of them and one or more significant deficiencies for three. We found significant deficiencies in the Federal Bridge Corporation, the Great Lakes Pilotage Authority and VIA Rail. For each of these three corporations, we chose to bring the reports to the attention of the appropriate minister. In this chapter, we are

presenting only the main findings. The full text of the report can be found on the corporations' websites. Please note, however, that these reports were issued in 2008, some very early in 2008, and that circumstances may have changed since then.

[English]

I would also like to bring to your attention some recent significant changes to the legislation related to special examinations. Up until this year, crown corporations were required to undergo special examinations at least once every five years. In early 2009, changes to the Financial Administration Act extended this cycle to at least once every 10 years. It's a change that we fully support. As well, the act now requires that the reports be made available to the public within 60 days.

That, Mr. Chairman, concludes my opening remarks, and we'd be pleased to answer any of the committee's questions.

**The Chair:** Thank you very much.

I'll look to the official opposition, Ms. Hall Findlay.

**Ms. Martha Hall Findlay:** Thank you, Mr. Chair, and thank you very much, both of you, for being here with us this morning.

Can you describe a little bit for us the deficiencies that you found, just a summary, for the meeting today?

**Mr. John Wiersema:** As I noted in my opening statement, Mr. Chairman, there were three corporations in which we identified significant deficiencies or concerns with those corporations' systems and practices. Those relate first to Via Rail.

Via Rail has been facing a number of ongoing strategic challenges for many years. These relate to the access it has to the tracks. The tracks are owned by CN, so Via has concerns and issues and challenges that it has yet to fully resolve in terms of access to those tracks.

Via Rail has also had difficulty in recent years in meeting the financial targets that are set out in its corporate plan. It has consistently underperformed. It has not met those targets. We were concerned that it didn't have contingency plans in place for what would happen if it was not able to meet those targets. We were also concerned about their planning processes, in that the planning processes consistently provided targets that the corporation hasn't been able to meet.

Those are some of the key challenges in Via Rail.

We also reported a significant deficiency in the Great Lakes Pilotage Authority. In this case the major concern has to do with an exemption from compulsory pilotage in the Great Lakes. This system of exemption was put in place in 1972. It was originally intended to be temporary; 35 years later, it has still not been resolved.

In our view, the authority does not have an effective mechanism to provide it with reasonable assurance that Canadian masters and deck watch officers have the competencies and qualifications needed to ensure the safe passage of their ships in the compulsory pilotage areas.

In its response to our report, the corporation indicated that it intended to make regulatory changes in 2008. We inquired earlier this week as to the status of those regulatory changes, and they have not yet been made. We think that too is an important issue, an important deficiency, in the Great Lakes Pilotage Authority.

• (1140)

**Ms. Martha Hall Findlay:** Just to clarify, those regulatory changes would be made by...?

**Mr. John Wiersema:** They would be made by government.

**Ms. Martha Hall Findlay:** What department specifically would be responsible for that?

**Mr. John Wiersema:** Well, it would have to be initiated by the Great Lakes Pilotage Authority, working with the Department of Transport.

**Ms. Martha Hall Findlay:** Okay, that's what I thought. Thank you. That was just for clarification. Sorry.

**Mr. John Wiersema:** The third crown corporation that we identified as having significant deficiencies was the Federal Bridge Corporation Limited, the corporation that looks after the bridges in Cornwall and Montreal. In that corporation we identified two significant deficiencies.

First, these bridges are facing significant refits and modernization updates. The corporation had not, at the time of our audit, resolved all those funding issues, and in our view they presented a threat to the financial sustainability of the corporation.

Second, the Federal Bridge Corporation Limited has a number of subsidiaries that look after the individual bridges. The parent corporation has a very small board of directors, and we were concerned that the board of the parent corporation was exercising insufficient oversight of the operations of the Federal Bridge Corporation and its subsidiaries.

Since we issued this report in 2008, I understand there have been some significant subsequent developments. We've not yet audited those developments, but I understand that the government has provided significant additional funding for upkeep and repairs to some of those bridges.

**Ms. Martha Hall Findlay:** Thank you very much.

I'm going back to the concerns that have been raised with regard to VIA. It certainly sounds as though there are some problems with the planning process. You highlighted that as a third one, I think, but it certainly jumps out, given the first two you mentioned, or at least the second one, which was trouble meeting financial targets and having no contingency plans.

From your perspective in doing these audits, can you highlight for us a little bit of what has happened? It sounds as though not meeting financial targets and not having contingency plans has been a recurring issue. Has that issue been addressed? What has been the solution for VIA on an annual basis to fix the problem?

**Mr. John Wiersema:** Perhaps, Mr. Chairman, that's a question that's best addressed to the corporation. We issued the report to the corporation and its board of directors. It has accepted and agreed to all our findings, and it's agreed to our recommendations. It has

indicated that it intends to undertake actions to address those findings and recommendations.

In this case, Mr. Chairman, the report was issued in February of 2008. We have not done significant audit work to follow up on the corporation's actions since then. As I mentioned in my opening statement, Mr. Chairman, we're pleased that this committee has expressed an interest in these crown corporations and in the special examination reports. Our purpose in bringing these matters to Parliament's attention was to encourage committees to use these reports to assist in holding these crown corporations accountable.

**Ms. Martha Hall Findlay:** Thank you.

**Mr. John Wiersema:** This is a big corporation and it's facing significant issues. You may wish to talk to VIA Rail.

**Ms. Martha Hall Findlay:** No, there's no doubt about that. But just from an audit perspective, your task, as I understand it, is reviewing the efficiency and the operation of the corporations. If there is repeated missing of financial targets, then that money has to come from somewhere in order for it to keep operating. I'm assuming, then, that the government has in past years provided additional money to VIA Rail.

In your report, did you determine that the trouble meeting financial targets was because of problems simply in planning or problems that you identified in the actual operation of the company?

**Mr. John Wiersema:** I think the short answer to that, Mr. Chairman, is that it would probably be a combination of both. Our report indicates that we think the targets the corporation is setting are unrealistic, and the corporation has had difficulty meeting its other performance measures, like its on-time performance for the trains. That obviously has an impact on revenue.

In our report, we indicated that in 1998 the government funding for the corporation's operations was about \$169 million a year, and in 2006 it approved an additional budget of \$233 million over three years for an overhaul program. So yes, one of the consequences has been that significant need for increased government funding.

• (1145)

**Ms. Martha Hall Findlay:** Thank you very much.

**The Chair:** You have about 20 seconds left.

**Ms. Martha Hall Findlay:** Then I have just a curiosity question on the Great Lakes pilotage issue. Can you just explain a little bit what you mean by the exemption for the compulsory pilotage? Is that a qualification of actual pilots and people on boats? My apologies for my ignorance.

**Mr. John Wiersema:** And my apologies, as I'm also not a total expert on piloting boats. When certain ships enter into Canadian waters, they are required to be piloted by experts. People who are trained pilots board the boats and assist them in their docking procedures.

Certain Canadian boats are exempted from that requirement. That exemption was put in place, as I indicated, in 1972. The intent was that it was supposed to be a temporary exemption. The corporation and the government were to work together to figure out alternative arrangements to ensure safe pilotage of exempted boats.

Our concern in the report is that after 35 years of a temporary measure, the government, 35 years later, still has not resolved how to ensure that those boats exempted from mandatory pilotage are safely piloted and docked. Our suggestion is that the corporation and the government need to work together to ensure, through whatever mechanism they decide, whether the exemption should continue or should be lifted.

I think the key point on this one, Mr. Chairman, is that the corporation's response indicated they expected revised regulations in 2008. I don't deal with regulations that have since been passed; it's another corporation, and if that's of concern to the committee, you may wish to call the corporation.

**Ms. Martha Hall Findlay:** Thank you very much.

Thank you, Mr. Chair.

**The Chair:** Madam Bourgeois.

[Translation]

**Ms. Diane Bourgeois:** Thank you, Mr. Chair.

Good morning, gentlemen. Although the eight crown corporations that you have examined are major ones, I would like to talk mostly about the Federal Bridge Corporation and VIA Rail.

Like my colleague, I was struck by the fact that VIA Rail and the Federal Bridge Corporation have no reliable plan and have done no planning, yet these two crown corporations receive millions of dollars from the federal government. It seems to me that I have already read Auditor General's reports in which she mentioned that the two crown corporations had no strategic plans and no development plans. How is it that, five years later, we are talking about the same thing?

**Mr. John Wiersema:** The answer is that I do not know. You would have to ask the crown corporations.

**Ms. Diane Bourgeois:** For the Federal Bridge Corporation, you say...Clearly, the board of directors of a crown corporation cannot correctly study results if it has nothing to base itself on to start with. So what are these people doing? Do they get just together for tea and cookies? We are putting money into these crown corporations; why is it that they are not required to do some planning?

• (1150)

**Mr. John Wiersema:** I do not know what I can say, Mr. Chair.

[English]

I'm not sure. That is why we are bringing these reports to the attention of Parliament. Ultimately these crown corporations are accountable to Parliament through the responsible ministers. The boards of the corporations, and VIA in particular, are engaged in the oversight of the management of these corporations. But as we indicate in our report, they have some significant strategic challenges yet to resolve. Why they have not yet resolved them is a question best put to the corporations. They haven't been able to meet their targets consistently, and that question again is best put to the corporations. I am trying to find the corporations' responses to our recommendations.

[Translation]

**Ms. Diane Bourgeois:** Before you answer, let me continue. Why do these crown corporations still use cash accounting when the Auditor General asked them several years ago to change to accrual accounting, like the departments?

[English]

**Mr. John Wiersema:** I think the situation is the inverse of what has been suggested here. Federal crown corporations have been following accrual accounting since 1984. So it is in place and functioning well in crown corporations. The Auditor General has indicated that accrual accounting has been adopted by the government ministries, departments, and agencies. But our concern is that the government has not yet adopted accrual-based principles in the budgeting and appropriations processes. That concern relates to

[Translation]

departments, not crown corporations.

[English]

We made a recommendation in our special examination report that VIA Rail in its next corporate plan should outline all the repercussions and issues premised on its investments plan. In collaboration with government officials, the board and management should develop alternative strategies to enable the corporation to fulfill its mandate within the funding envelope the government has provided.

The corporation responded by saying, "Management agrees that access to infrastructure is key to realizing half of the benefits set out in the medium term investment plan.... Management agrees with the recommendation" and "has prepared an assessment of the impact of not increasing frequency in the Quebec City-Windsor corridor.... An alternative plan was developed to mitigate the impact of not realizing the benefit of additional frequencies in the Quebec City-Windsor corridor" and this "alternative plan was incorporated into the 2009-2013 corporate plan, which is currently under discussion with the representatives" of the Department of Transport.

So the committee may wish to look at that 2009-2013 corporate plan and talk to the corporation about its alternative strategies and whether or not its funding requirements are being met.

[Translation]

**Ms. Diane Bourgeois:** Especially since the track does not belong to them, which has to affect their profitability. Having taken the train a number of times, I can tell you that it is not very pleasant to have to get onto a siding to let a freight train pass.

Have you observed any concern for the environment in VIA Rail. It shares the track with Canadian National. All across Canada, you can see piles of junk, ties soaked in creosote and mountains of tar. When you get to Jasper and see a pile of garbage, I have to say that it does nothing for the beautiful scenery. Should these crown corporations have to play a role in cleaning up the railway lines?

[English]

**Mr. John Wiersema:** Thank you, Mr. Chairman.

First, on the access to the track, I understand that the corporation is in continuing negotiations with CN to negotiate better access to the tracks to be able to facilitate its operations.

On the environmental issue in VIA Rail, we did indeed include that as part of our audit. It's in the report on the special examination of VIA Rail. We didn't look specifically at the question of cleaning up at the site of the rails, but we did end up.... There's about a four- or five-page section of our report dealing with environmental management.

Our recommendation to the corporation was that VIA Rail should complete the implementation of its environmental management system and establish an order of priority for identification and assessment of the environmental risks. So VIA Rail was in the early stages of implementing an environmental management system when we did this work in 2007 and 2008. We thought they had considerably more work to do in that regard, and then they had to set priorities in terms of managing those environmental risks. There is considerable material in our report on environmental management at VIA Rail.

• (1155)

**The Chair:** *Merci beaucoup.*

Mr. Warkentin.

**Mr. Chris Warkentin:** Thank you, Mr. Chair. I thank you for your appearance here today. We appreciate the information that you're bringing forward.

I just want to go back to the issue of the pilotage for the Great Lakes folks. I know you did a review of the Pacific pilotage program as well. I guess the difference between these two different organizations is that there wasn't an exemption on the Pacific coast. Do you have any information as it pertains to why the original exemption was actually put into place? Was it because of the complications? It's quite a bit different in terms of the conditions. The pilotage program in the Pacific pertains to the coastline, comparatively, to a very extensive waterway and inland seaway. So I'm wondering, was the exemption put into place for that purpose?

**Mr. John Wiersema:** I'm not an expert, Mr. Chairman, but my understanding is consistent with the member's understanding, that it's quite a different waterway system in the Great Lakes versus the Pacific coast. Therefore, there was no need for that type of exemption in the Pacific.

**Mr. Chris Warkentin:** Okay. And the pilotage exemption was the major concern. I guess there was another concern as it related to the revenues for the Great Lakes, the way they have planned for the revenues based on current traffic. I guess there was a decline, and if there was a larger decline, you were concerned about the profitability or the sustainability of the agency. Is that right?

**Mr. John Wiersema:** No, I don't think we had any issues with the financial viability of the Great Lakes Pilotage Authority. We identified one significant deficiency and that has to do with this temporary exemption.

**Mr. Chris Warkentin:** Okay.

**Mr. John Wiersema:** We did not identify other significant deficiencies, but we did identify what we call two opportunities for improvement. They're not such major issues that they comprise a

significant deficiency, but we identified two opportunities for improvement that relate to the efficiency of the pilotage service meeting the users' needs.

Actually, no, this is something that we credited them for good performance. The authority has been successful in reducing the number and length of delays in providing the pilotage service. Then with respect to the tariffs....

**Mr. Chris Warkentin:** I was asking specifically as it pertained to the \$6.5 million loss during the.... Pardon me, it falls under the area of opportunities for improvement. It's the last bullet point on page 16 of the report.

From your understanding, that's not a major concern and it's not something that you're looking for.... You have identified it as a way to improve, but you're not overly concerned.

**Mr. John Wiersema:** We did not identify it as a significant deficiency. We're flagging it as something to bring to the corporation's attention to stay close to, but we weren't signalling it as a significant deficiency or a concern with the financial self-sufficiency of the agency. It's just something they will have to stay close to.

**Mr. Chris Warkentin:** So you weren't providing any recommendations as to what should be done.

**Mr. John Wiersema:** Auditors always have recommendations, Mr. Chairman. I suspect we will have had one on that. I'd have to look at the full report to find the recommendation on that.

**Mr. Chris Warkentin:** Sure.

In terms of the bridges, I know that we in Canada, like other countries, are concerned about our bridges. We take them for granted until one falls down, and then we're very concerned about them.

In your report, I know you had some concerns. I know the government has accepted the recommendations and the concerns that were identified. Certainly there's been a response from the government in its funding of significant upgrades to a number of bridges. In your report, I guess you did credit the fact that there have been significant amounts being put towards constant monitoring of these bridges and that there wasn't an imminent safety concern. But I'm wondering, if it's important for Canadians, what message do we want Canadians to hear? Should Canadians be concerned about crossing federal bridges? I guess that is the question.

• (1200)

**Mr. John Wiersema:** We indicated that the corporation was facing significant funding challenges at the time we did the audit. The Federal Bridge Corporation estimated the cost of maintaining and repairing existing bridges and facilities would be over \$614 million over the next five years, and it estimated that it would lack about \$371 million in funding. So our concern was that the corporation needed to resolve those significant funding issues.

As the member has indicated, the government has committed significant additional funding to these corporations. We hadn't audited that at that point. At the time we issued the report, we didn't express any concerns about the safety of the bridges at that point in time, but there were significant funding issues that needed to be resolved.

**Mr. Chris Warkentin:** I think it's important that Canadians hear that no one's suggesting bridges are going to fall down.

But will you do an update of this, considering the allocation of funding for these bridges? Do you know if there's an intent to update this or to analyze what's been put forward in terms of funding?

**Mr. John Wiersema:** As I indicated in my opening statement, Mr. Chairman, we now do the special examinations of crown corporations once every 10 years, or at such additional times as various parties could request. So we could do a special examination more frequently than that.

We are also the annual financial auditor of the Federal Bridge Corporation. So as part of that work, normally we will make inquiries of the corporation about progress in implementing their responses to our recommendations. We do not, though, do a full-blown, formal follow-up audit. If we get a sense that the corporation is not responding, we might bring that to the attention of the board of directors. But we do not do a formal follow-up audit, with a public report, until we do the next special examination.

**Mr. Chris Warkentin:** I think that answers most of my questions. I know I probably have some time. I don't know if there are more questions from my colleagues, but maybe we'll move my turn to the next round of questioning.

**The Chair:** Okay.

Ms. Foote.

**Ms. Judy Foote (Random—Burin—St. George's, Lib.):** Thank you.

And thank you for being here this morning.

Pardon my ignorance on this, but how many crown corporations are there?

**Mr. John Wiersema:** I believe, Mr. Chairman, there are 46 parent crown corporations. A number of crown corporations also have subsidiaries. I'm not sure of the total numbers of those, but there are 46 parent crown corporations.

**Ms. Judy Foote:** So the number 46 here is in fact the total number.

**Mr. John Wiersema:** Of parents.

**Ms. Judy Foote:** Of parent crown corporations.

How do you decide which agencies you're going to review, of the 46? You said you did 8 last year and 8 this year, so that's 16. How do you decide which ones of the 46 to review?

**Mr. John Wiersema:** Well, unlike our performance audits in departments and agencies, where the Auditor General has a great deal of discretion in deciding what she will audit and when she will audit it, the requirements for performance audits in crown corporations are set in legislation. Up until very recently, the Financial Administration Act required us to do a special examination of the parent crown corporations at least once every five years. That's quite a significant audit burden, if you will.

We audit these corporations. Every year we do the annual financial audit, and then we do a full-blown performance audit of the entire corporation once every five years. So in discussion with government officials, we said, well, in our view, crown corporations

are getting an inordinate amount of audit attention as compared to government departments and agencies. There are some government organizations we can only visit once every 10 or 15 years, because of the sheer size of government. So with our support, the government amended the Financial Administration Act in early 2009 so that the special examinations happen only once every 10 years.

There is provision in that legislation, though, that the board of the corporation, the minister responsible for the corporation, the President of the Treasury Board, or the Auditor General can do it more frequently if we see the need for it. So when that legislation was passed extending the cycle to 10 years, we looked at our entire portfolio of crown corporations and reconsidered the schedule for the special examinations. Previously, they were all scheduled over a five-year period. We've now stretched the schedule out over 10 years, and we're in the process of discussing that revised schedule with the affected crown corporations.

• (1205)

**Ms. Judy Foote:** I noticed the change to the Financial Administration Act, and I was surprised that you actually supported that going from five years to 10 years. I guess what you're telling me in terms of the burden.... Is that because of the human resources that you have within the Auditor General's purview to do these types of reviews?

**Mr. John Wiersema:** It wasn't driven mostly by our resources. Our principal issue or concern was the level of audit activity we were doing on crown corporations when you compared it, for example, to departments and agencies. We issue an opinion each year on the financial statements of these crown corporations, so we're in there every year doing the financial audit, and then these special examinations require us to give an opinion of the corporation as a whole.

It requires a considerable amount of audit effort to do that once every five years when you compare it to government departments. For the Department of National Defence, if I can just pick an example, we do an audit of the department's financial statements each year and we have a long-term audit plan for auditing the Department of National Defence, but we can't even cover the whole corporation over 10 years. We look at it in bits and pieces. We can't cover the whole Department of National Defence over 10 years.

So our principal issue was the relative level of audit attention the crown corporations were getting compared to departments. We're doing an awful lot of audit work in crown corporations and relatively little in departments. As for our suggestion, especially because we've been doing these special examinations since 1984 and many of the corporations get clean opinions where we do not signal a significant deficiency, we raised the question not only of whether this is the best use of our resources in continuing to audit these corporations, but also of the impact that has on the corporations themselves. As I'm sure you can appreciate, auditing an organization puts a significant burden on the management of the corporation as well.

For all those reasons, we supported the government's amendment to the legislation.

**Ms. Judy Foote:** We all know, of course, that a mandate goes with a crown corporation: to provide a service to the public. When you're doing your audit, as it says here, you want to ensure that "assets are safeguarded and controlled; financial, human and physical resources are managed economically and efficiently; and operations are carried out effectively". Are you also taking into account the mandate of the crown corporation to ensure that they are in fact fulfilling their mandate?

**Mr. John Wiersema:** Absolutely, Mr. Chairman. As part of that third objective you talked about—"operations are carried out effectively"—the driving force behind an assessment of whether they have a reasonable assurance that their operations are effective is if they know they are achieving their mandate. That is central to our planning of the special examination. We start with the mandate of the organization, acquire a good knowledge of the corporation's business, talk to stakeholders, and then apply a risk analysis for determining which systems and practices of the corporation we'll be auditing in detail.

Most special examinations will have audit activity in the areas of strategic planning, where they are planning for the long term for achieving their mandate. We will look at how they plan for achieving their mandate. We will look at performance measurement and reporting. How do they know? Have they established performance targets for achieving their mandate? Do they report against those? Are they transparent? Do they provide that information to Parliament?

I think virtually all of the special examinations that we've talked about here today will have discussions of the audit work on strategic planning and performance measurement reporting, all with a view to determining if the corporation has a reasonable assurance that it's achieving its mandate.

**The Chair:** Thank you.

I will just remind you that we're on five-minute rounds.

*Monsieur Roy, pour cinq minutes.*

• (1210)

[Translation]

**Mr. Jean-Yves Roy (Haute-Gaspésie—La Mitis—Matane—Matapédia, BQ):** Thank you, Mr. Chair.

I listened to you and I had difficulty understanding your answers about the Great Lakes Pilotage Authority. Let me tell you why.

Normally, a foreign vessel that enters our waters from the Gulf of St. Lawrence bound for the Great Lakes must have a pilot on board to take it there safely because the masters are not necessarily familiar with our waters.

Are you saying that the Great Lakes Pilotage Authority has a serious problem because the regulations do not reflect reality? Masters and officers on Canadian vessels that sail the Great Lakes—and I mean Canadian, I am not talking about foreign vessels—have to have the proper training and so, to my knowledge, it is not required that they have a pilot on board. It is required for foreign

vessels. On Canadian vessels, people must be trained and licensed to be able to sail our waters with no pilot on board.

Is this a safety issue, or just a matter of regulation?

[English]

**Mr. John Wiersema:** The member is quite correct that foreign ships are subject to compulsory pilotage. However, Canadian ships are exempted from compulsory pilotage if they meet the requirements set out in the Great Lakes pilotage regulations. Our concern is that the Great Lakes Pilotage Authority does not check the competencies and qualifications of Canadian masters and deck-watch officers for ships granted those exemptions. In addition, the authority lacks an objective and transparent procedure for certifying Canadian masters. So our concern applies to Canadian ships, which are exempted from compulsory pilotage. We don't think the authority is doing enough to check the competencies and qualifications of those Canadian masters, and to certify them in the first place.

[Translation]

**Mr. Jean-Yves Roy:** Is granting accreditation to Canadian pilots something that the Great Lakes Pilotage Authority does? Would that not be the Department of Transport's job?

Unfortunately for you, I taught at the Institut Maritime de Québec. I know what I am talking about. I know that a master's certificate is not issued by the Great Lakes Pilotage Authority, but by the Department of Transport. A ship's master must be properly trained. He cannot sail our waters without having been trained and without having passed exams. To my recollection, the exams come from the Department of Transport or the Canadian Coast Guard. You have to go through college, whether in the Maritimes, or in Quebec or in Ontario before you can take a ship into our waters. I do not mean a rowing boat, I am talking about a freighter or a fishing boat. The licences come from the Department of transport.

Why are you asking the Great Lakes Pilotage Authority to conduct these checks when, as I see it, it is the job of the Department of Transport?

**Mr. John Wiersema:** I agree with Mr. Roy. The Great Lakes Pilotage Authority has to work in collaboration with the Department of Transport.

[English]

I would like to refer to the specific recommendation we made in our report and the authority's response. We recommended that as the regulatory agency responsible for navigation safety, the Great Lakes Pilotage Authority should implement a more effective mechanism to provide reasonable assurance that Canadian masters and deck-watch officers have the competencies and qualifications needed.

The agency's response was:

A more stringent exemption or certification system would strengthen the Authority's ability to ensure future safety and efficiency of the navigation system. The Authority continues to work with Transport Canada and the major stakeholders to address this deficiency. It expects regulatory amendments that will address the deficiency to be published in 2008.

So the authority committed to work with Transport Canada and other stakeholders to address the two regulatory amendments in 2008. My understanding is that it has not yet been done. But the authority cannot do this on its own. It needs to work with Transport Canada to make those regulatory amendments.

• (1215)

[Translation]

**Mr. Jean-Yves Roy:** So this is a delegation of authority from the Department of Transport to the Great Lakes Pilotage Authority. You are saying that the GLPA is not taking proper responsibility for the delegated authority it has been given.

**Mr. John Wiersema:** I do not know if we should talk about delegation.

**Mr. Jean-Yves Roy:** Of course it is delegation because the mandate to recognize the training lies with the Department of Transport.

**Mr. John Wiersema:** In our opinion, the Great Lakes Pilotage Authority has to work together with the Department of Transport.

**Mr. Jean-Yves Roy:** I would like to move on to the Pacific Pilotage Authority because...

[English]

**The Chair:** Time has expired, but we can come back.

Before we go to Mr. Anders, maybe I can help out Mr. Warkentin a bit. As fate would have it, I was a young lawyer working around the Great Lakes back in the early 1970s. There was a period of labour strife among the crews of the Canadian fleet, the officer class of the various fleets, and the pilotage authorities.

The solution proposed by the stakeholders, the fleet owners, was that there be an exemption for the Great Lakes portion, not the St. Lawrence portion or the coastal portion. The theory was that there is very little in the way of tides, the seaway portion of the Great Lakes was pretty regimented, and the officer class on these ships at that time was very highly trained and knew every square inch of the lakes on the Canadian and American sides. At the time it was a simple solution, but it does raise the question of how this pilotage authority accurately projects its revenues and usage of pilots.

That was one of the issues that I think you raised, because they were either over or under 6% and down 16% in terms of their projections, so either they're going to be out of pocket or somebody is going to have to pay the freight on their overestimation or underestimation of utilization of the pilotage functions.

Are they dealing with only the foreign vessels, then?

**Mr. John Wiersema:** For the pilotage fees, yes, that's correct.

**The Chair:** It might be easier to get a better average if you could assess pilotage fees against the Canadian fleet and the foreign fleet together. You'd get a bigger number. However, if the foreign vessels come in big numbers, you have huge take-up and the costs of

bringing in appropriate pilots and overtime, which can be very expensive. Then the reverse can also happen.

Anyway, the answer to Mr. Warkentin's question is that it came out of a period of labour difficulties and some very intense labour problems.

Mr. Anders, you have five minutes, please.

**Mr. Rob Anders:** It's fascinating on several fronts, Mr. Chair.

**The Chair:** I was a deckhand and a lawyer, separated by five years.

**Mr. Rob Anders:** I understand.

Though it sounds like a fascinating topic to pursue, I do have some questions for our witnesses.

You mentioned 46 parent crown corporations. Would you be able to list a bunch of those for me?

**Mr. John Wiersema:** I will try from memory, Mr. Chairman.

Some of the big ones are the Canadian Broadcasting Corporation, VIA Rail, Export Development Canada, Atomic Energy of Canada Limited, Canada Post Corporation, and the Bank of Canada, although we're not the auditors of the Bank of Canada.

Mr. Flageole, keep going.

**Mr. Richard Flageole (Assistant Auditor General, Office of the Auditor General of Canada):** There is Canada Mortgage and Housing Corporation. There's a good number in the Heritage portfolio, including all the national museums, the National Arts Centre, the Canada Council for the Arts, and Telefilm Canada. There are a good number in Transport; the Federal Bridge Corporation Limited is just one.

We have quite a diversity of those organizations. Some are very big. I think four or five account for about 80% of the people working in there. Some are very small. Some might have only 50 to 100 employees. It is quite diverse.

• (1220)

**Mr. John Wiersema:** A very small one, for example, is a recently created crown corporation, the Canadian Race Relations Foundation. It is a very small crown corporation.

They range from organizations with a dozen or so people to organizations with tens of thousands of employees, such as Canada Post and CBC.

**Mr. Rob Anders:** So far I've got about a dozen in your list. Are there some others you could delve into? You mentioned there were several under Transport, and you mentioned VIA, but what other ones were you thinking of?

**Mr. John Wiersema:** Canadian Air Transport Security Authority, CATSA, is another crown corporation. The individual museums are crown corporations, so the Museum of Civilization; the Museum for Human Rights, recently opened in Winnipeg; the Museum of Nature; the Science and Technology Museum.

There is a complete list, Mr. Chairman, that's prepared and tabled in Parliament once a year by the President of the Treasury Board of all of the government's corporate interests, including crown corporations, as well as its other corporate interests. I'd be pleased to provide a complete list to the committee, or it's available as well in the President of the Treasury Board's "Annual Report to Parliament - Crown Corporations and Other Corporate Interests of Canada".

**Mr. Rob Anders:** Yes, I'd be fascinated to get one.

**Mr. John Wiersema:** We'll provide the Treasury Board report.

**Mr. Rob Anders:** Now, I think Mr. Calandra has some questions. He can take the rest of my time if he wishes.

**Mr. Paul Calandra (Oak Ridges—Markham, CPC):** I have a couple of quick questions.

Can you tell me a little bit more about the management structure at Downsview Park?

**Mr. John Wiersema:** Downsview, that's an interesting one. Mr. Flageole used to be the Assistant Auditor General responsible for the audit work we did in Downsview. Perhaps I could ask him to talk a little bit more about the governance.

It's an interesting governance structure, because it was initially created as a subsidiary of the Canada Lands Company, and the government subsequently deemed it to require that it report as a parent crown corporation. It's a corporation that's been set up to look after the development of the former DND Downsview Base in downtown Toronto into a national park.

With that, I'll turn it to Mr. Flageole.

**Mr. Richard Flageole:** As Mr. Wiersema mentioned, it is a sub of another crown corporation, but it's been deemed a parent. So in terms of governance structure it has a typical structure of a crown corporation with its own board of directors, who are really overseeing management. There are very few links, in reality, between that corporation and its parent company, which is the Canada Lands Company.

**Mr. Paul Calandra:** And what are they doing there now? What are the predominant uses of Downsview Park right now?

**Mr. Richard Flageole:** They're really developing the former Canadian air force base, so they have a long-term plan. They're still at the early stage. Most of the work done in the last two, three years was mainly landscaping work. They have a comprehensive development plan over the next 25 years. The major section will be a park, but there's also a whole bunch of projects, in terms of residential land, commercial-type real estate. There are a number of sports activities that will take place. The plan is to develop all of this over the next 20 years, but it's a fairly comprehensive development project on the site.

**Mr. Paul Calandra:** Would you have any suggestions as to whether this type of management approach to an urban park, as such, is positive or negative? The way the park is managed right now, has it been positive or negative in helping them eventually get to a national park?

**Mr. John Wiersema:** Perhaps I'll start on that one, Mr. Chairman, and then Mr. Flageole can supplement.

When this corporation was initially set up as a subsidiary of the Canada Lands Company, with a mandate to develop an urban park, the Auditor General initially expressed concerns about the manner in which this corporation had been set up and the significant costs of developing this national urban park. Parliament did not have an opportunity to participate in that decision. This was created, through an order in council, as a subsidiary of the Canada Lands Company. Since then, the government has deemed it as a parent crown corporation, so now it reports to Parliament just like any other parent crown corporation. That's gone a long way to addressing the initial concern we expressed when it was initially created.

The special examination report that we issued on Downsview was a clean opinion. We did not indicate any significant deficiencies. Overall, we thought the corporation was generally well managed in terms of achieving its mission and vision, which is the ultimate development of the park. But, as always, auditors always can find opportunities to improve things, so we had a few of those.

•(1225)

**Mr. Paul Calandra:** Sure.

Richard, did you want to add anything to that?

**Mr. Richard Flageole:** I think you've essentially covered the main points.

To go back to the special examination, I think our conclusion was that they have a fairly strong planning process for developing the park. They have a very clear vision of what they want to do with the park. I guess the big question with Downsview is the financing of the development of such a major project. They have a 25-year financial forecast. The board made the decision to develop on a pay-as-you-go basis. I think we were quite satisfied with the financial planning aspect.

I think the main message we gave to the board is that there are so many assumptions and uncertainties when you're planning to develop such a project over 25 years, so the board will have to keep a very close eye on how those assumptions might change on things like inflation, construction costs, real estate value, and borrowing rates. Those are moving targets. It will be very, very important for the board to keep a close eye on the financial aspect of the project.

**Mr. Paul Calandra:** I'd just like to give you some background. I asked because in Oak Ridges—Markham I have a large amount of what could potentially be the Rouge Park. We're looking at different structures and how we might manage the Rouge parkland, which would include the Pickering airport lands, so I'm very interested in how that park has been managed. You may not be able to answer this question on the board itself, but how are people appointed to the board of the park? What is the composition?

**Mr. John Wiersema:** Consistent with the appointments to most crown corporation boards of directors, these are order-in-council appointments, where the legislation requires that the Governor in Council consult with the corporation's board on the appointments.

We have done some audit work in the area of Governor-in-Council appointments, going back to I think the early 2000s, where we have expressed concerns with that appointment process. Indeed, quite recently, Mr. Flageole issued a report revisiting the concerns with the appointment process. Essentially, they're Governor-in-Council appointments in consultation with the board.

In the case of Downsview, I think Mr. Flageole can go ahead.

**Mr. Richard Flageole:** In the case of Downsview, they have a 12-member board. When we did the special examination, I think we were quite satisfied with the governance practices and the way the board was overseeing the corporation. One point we noted in the report is that as of the end of April 2008, eight directors had been appointed between January and October 2007, including the chair. That's quite a turnover.

Mr. Wiersema mentioned the work we did on the Governor-in-Council appointment process. I guess one of the key issues we raised was the timeliness of the appointments, but there was also the staggering of appointments. I think it's important to make sure that you don't replace two-thirds of the board at the same time. It has quite an impact on continuity and the operation of the board. Downsview had to deal with this. We concluded that it was okay, but that's something that needs attention in the future when appointing people to boards of directors.

**The Chair:** Thank you.

That was two five-minute rounds, just for the record, in case anyone is counting.

Ms. Foote for five minutes.

**Ms. Judy Foote:** I'm going back to the crown corporations. Have you done a special examination of Marine Atlantic?

**Mr. John Wiersema:** Yes, indeed, Mr. Chairman. We are in the final stages of completing that special examination as we speak. I expect that the report will be formally transmitted to the board of directors of Marine Atlantic in the coming weeks. It's almost done.

• (1230)

**Ms. Judy Foote:** Is that one that will be tabled and available for viewing by anyone other than the board of directors?

**Mr. John Wiersema:** As I indicated in my opening statement, Mr. Chair, crown corporations, as a result of the amendments to the Financial Administration Act, are now required to make those reports publicly available within 60 days of receiving them from us.

Next year, as we've done for the past two years, the Auditor General will present another summary report on all the special examinations that we have completed in 2009, so I would expect that this would be in the equivalent chapter that we're discussing here today. The equivalent chapter will be produced for Parliament next year.

**Ms. Judy Foote:** Are you able to tell me today, before it goes to the board—I can almost anticipate your answer—if there are any significant deficiencies?

**Mr. John Wiersema:** I think you anticipated my answer correctly.

**Ms. Judy Foote:** There's no harm in trying.

**Mr. John Wiersema:** I don't think it would be appropriate for us to talk about this in a public forum before the board itself and the responsible ministry have formerly received the report.

**Ms. Judy Foote:** Let me ask you another question then.

Clearly it serves as the link between Nova Scotia or the mainland of the country and Newfoundland and Labrador. Have you looked at the vessels that are being operated and made any determination in terms of whether there are any safety issues or whether they need to be replaced? I know they brought in one new vessel, the *Atlantic Vision*, but my sense, in discussions with others, is that they need more in order to be able to provide the type of, what you refer to here as, effective operation.

**Mr. John Wiersema:** Mr. Chairman, the member is quite right.

We will look at all key systems and practices that we think are essential to the corporation's success. The operation of its fleet to sufficiency, the funding of its fleet, its safety record, and so on would all seem to be systems and practices key to the success of that corporation. I expect they are within the scope of the special examination. I'm sure the member will be very interested in seeing that report, if I can do a bit of a commercial. That report will help you with the answers to some of your questions.

**Ms. Judy Foote:** Thank you.

In terms of the operation of Marine Atlantic, my understanding is that the cost recoverable in terms of the crown operation is on a 60-40 split. Are you aware of that? Is that a number that's determined by the corporation? Would you have any input when you do a review of it as to whether that makes sense—considering that it is in fact the transportation link—and whether it should be a 60-40 balance or a 50-50 balance?

**Mr. John Wiersema:** When we do the special examination, we will look at how the corporation is funded. The member has correctly pointed out that this corporation is funded in part through the tariffs it charges, and it also receives government funding. We will look at how the corporation manages that. The ultimate decision as to the right balance—whether it is 60-40 or 30-70 or so on—is ultimately a policy decision of government. We will look at how the corporation manages that, but we would not make a comment on the policy decision that was taken on the relative trade-offs and what that balance should be.

**Ms. Judy Foote:** That's fine, Mr. Chair.

**The Chair:** Thank you.

Mr. Anders, go ahead for five minutes.

**Mr. Rob Anders:** Thank you very much, Mr. Chair.

You mentioned your involvement on the Great Lakes as a deckhand and a lawyer. I apologize, witnesses. Bear with me for a second here.

Did you know Jack Leitch?

**The Chair:** Yes.

**Mr. Rob Anders:** That's fascinating. Were you working with his company or another one?

The chair brought it up. It's related.

**The Chair:** He's a lovely man. I was actually his car driver for awhile.

**Mr. Rob Anders:** Really? That's fascinating. Was it the armoured car, or, was it—

**The Chair:** I won't go any further than that.

**Mr. Rob Anders:** I don't know if everybody knows, but there was a great deal labour strife and a battle over shipping in the Great Lakes. Mr. Leitch was under armed threat, and he had to take his family to and from various places in armoured vehicles at the time. So that's fascinating, very interesting. I knew that from my time serving with the National Citizens Coalition....

I will get back to some of our stuff about crown corporations, if I may.

I'm going to go through my list here. I have CBC, VIA, EDC, Atomic Energy, Canada Post, Bank of Canada, and CMHC. You mentioned, of course, that there are a number of museums, and you listed off the Museum of Nature and the Museum of Civilization as two. I don't know if that list of museums includes the National Arts Centre and the Canada arts council. I'm assuming it doesn't. Telefilm Canada, Federal Bridges, Canada Race Relations, and Canada Air Transport something—I'm not sure if I caught the full name of that....

•(1235)

**Mr. John Wiersema:** The acronym is CATSA, the Canadian Air Transport Security Authority, I believe. They're the people responsible for screening passengers. Among other things, when you go to the airport, the people who do those screenings are under contract to CATSA.

**Mr. Rob Anders:** I'm going to pursue some questioning on this. I'm fearful that if you're able to find a list and send it to me... sometimes my staff have a way of sorting through things before they get to me.

You listed the Museum of Civilization and the Museum of Nature. Do you have some others to add to that list of museums?

**Mr. Richard Flageole:** There's the Museum of Science and Technology and the National Gallery of Canada. I think Mr. Wiersema mentioned the new Museum for Human Rights in Winnipeg. So we have four in Ottawa and one in Winnipeg. The War Museum is a part of the Museum of Civilization; it's not a separate corporation.

**Mr. John Wiersema:** Another major crown corporation that wasn't on the member's list is Farm Credit Canada. There's the Canadian Dairy Commission, thinking of the agricultural portfolio. Pretty soon we'll have all 46.

**Mr. Rob Anders:** That's excellent. That's part of the goal here.

Just to make sure I understand, is the Canadian Dairy Commission involved in supply management?

**Mr. John Wiersema:** That's correct.

**Mr. Rob Anders:** You're very precise in making sure you answer the chair.

Are there any other museums we haven't hit on?

**Mr. Richard Flageole:** You have all of the museums.

**Mr. Rob Anders:** You also focused on some things under Transport. We have the Canada Air Transportation Security.

**Mr. Richard Flageole:** There are four pilotage authorities. There's the Blue Water Bridge corporation—

**Mr. Rob Anders:** Are they separate or do they fall under one umbrella?

**Mr. Richard Flageole:** All the transport-related crowns are under the Minister of Transport. A good number of other crowns not necessarily related to transport are also under the umbrella of the Minister of Transport. The Royal Canadian Mint is quite an important one, which I think we didn't name. Downsview Park, Canada Post, and the Federal Bridge Corporation are all transport-related.

**Mr. Rob Anders:** Are the four you mentioned under pilotage considered to be one of the 46, or four of the 46?

**Mr. Richard Flageole:** They're four separate crown corporations.

**Mr. Rob Anders:** Let's list them specifically so I can compile my list. You mentioned Blue Water.

**Mr. Richard Flageole:** There's Atlantic Pilotage, Great Lakes Pilotage, Laurentian Pilotage, and Pacific Pilotage. They are four separate crown corporations.

**Mr. Rob Anders:** I count five there. You said Blue Water, Atlantic, Great Lakes—

**Mr. Richard Flageole:** Blue Water is a bridge.

•(1240)

**Mr. Rob Anders:** I have 25 now, so I'm almost halfway there.

**The Chair:** You're a good counter and I'm a good counter. I just counted up to five minutes, so I have to interrupt your valuable line of questioning and look to other members.

Monsieur Roy.

[Translation]

**Mr. Jean-Yves Roy:** I would like to ask a question about the Pacific Pilotage Authority. I want to know what you mean by the term "pilots' performance evaluation".

Is this an evaluation of the use of the pilots' time? It is not clear to me. Are you just talking about the use of their time? Are you talking about their time at work?

[English]

**Mr. John Wiersema:** No, I think it's broader, Mr. Chairman, than the use of their time. It's an evaluation of their performance as pilots of the boats. The Pacific Pilotage Authority did not have processes to assess pilots' performance. As you would expect with most employee-employer relationships, periodically there's a formal performance assessment done of an employee's performance. These pilots were performing services on behalf of the Pacific Pilotage Authority. We were encouraging the pilotage authority to have means of assessing the pilots' performance as pilots of the boats, through formal performance appraisals.

[Translation]

**Mr. Jean-Yves Roy:** Once again, if I understand correctly, there is a problem with the qualifications of the staff.

[English]

**Mr. John Wiersema:** They need to be concerned about the qualifications of the pilots and whether the pilots are carrying out their duties appropriately when piloting these boats. So I think both are required: they have to ensure that pilots are appropriately qualified and are appropriately performing their duties as pilots.

[Translation]

**Mr. Jean-Yves Roy:** That is fine.

Thank you, Mr. Chair.

[English]

**The Chair:** *Merci, Monsieur Roy.*

Mr. Brown.

**Mr. Patrick Brown (Barrie, CPC):** Thank you, Mr. Lee.

For my first question, I want to go back to the International Development Research Centre and the vacancies on their board. Have these vacancies been consistent over the last years? Have there always been a number of vacancies, or is this a new development?

**Mr. John Wiersema:** Mr. Chairman, Mr. Flageole was responsible for the special examination of IDRC, so he's quite familiar with the content of that report.

**Mr. Richard Flageole:** Mr. Chair, IDRC is quite a particular crown corporation. Based on their legislation, there are 21 seats on the board, and 10 of those seats are reserved for people from other countries. So they need to have 11 Canadian members and 10 foreign members. When we did the special examination, we didn't have the 11 members because of the delays in making appointments to the board of the IDRC. Again, the composition of the board was not in line with the legislation.

Mr. Wiersema mentioned the chapter we just published on GIC appointments. I think IDRC is an example of what can happen when there are delays in making appointments. They were for a period of about almost one year. I think our understanding is that this has been fixed—but that was the situation when we did the special examination.

**Mr. Patrick Brown:** What does it mean for the board when they're not in compliance with the act? Does it mean they cannot continue to function, or what problems flow from their not meeting this requirement of the act?

**Mr. Richard Flageole:** Well, I guess the worst situation would be if they didn't have a quorum, meaning they could not make official decisions. In the case of IDRC, the legislation says there needs to be a majority of Canadian members. So with 21 people, depending on who's there or not there, there's probably a way to manage the attendance at the board so that you have a majority of Canadians. But it doesn't make the situation easy in specific cases.

• (1245)

**Mr. Patrick Brown:** Has the situation today changed at all? Have any of those appointments been filled?

**Mr. Richard Flageole:** My understanding is they have been filled. But again, with board memberships, people come and go. So that was a snapshot at a point in time for a year. Again, if we had a Canadian member whose term expired last month, it would be

important to replace that member, because new members are coming in and terms are expiring on an ongoing basis.

**Mr. Patrick Brown:** Do you know how long the IDRC wasn't in compliance with the act?

**Mr. Richard Flageole:** The period we referred to in the report was from March 2007. So it was almost a year.

**Mr. Patrick Brown:** Is the appointment process more arduous here than for other boards? Is there anything that should be looked at to expedite the process, or is it similar to other GIC appointments?

**Mr. Richard Flageole:** It's similar to other GIC appointments. Again, we have 11 Canadian members who are appointed by the Governor in Council.

**Mr. Patrick Brown:** The other question I have is about VIA Rail Canada. One of the comments made was that they were experiencing difficulty in meeting revenue and ridership objectives.

In terms of the ridership objectives, do you believe there is any relationship between the level of investment in trains in Canada and the difficulty in achieving the ridership objectives? For example, if you look at the GO Train in Ontario, both the provincial and federal governments have put significant investment into the GO Train, introducing new routes and, in many ways, competing with VIA Rail. How has that aspect affected VIA Rail's challenges?

**Mr. John Wiersema:** Mr. Chairman, one of the challenges for VIA Rail is the reinvestment in its infrastructure and a high-speed rail network. I'm sure with additional funding the corporation would be more successful in meeting its targets for ridership and its financial targets. It's all linked to the concern that we identified in our report in that this corporation is facing some important unresolved strategic challenges dealing with its funding, its access to the tracks, and unrealistic targets set in past corporate plans.

In light of the size and importance of this corporation, this would be a particular candidate for this committee, if it's interested, to pursue further, in terms of VIA's progress in addressing some of these important challenges.

**Mr. Patrick Brown:** Thank you.

**The Chair:** Ms. Hall Findlay.

**Ms. Martha Hall Findlay:** If I could, I'll raise a matter of privilege.

I hope our witnesses don't take this in the wrong way. This is very interesting, but we did have a motion that was passed at a last meeting, to which we have had an insufficient response from the government. As such, given that our responsibilities are what they are, and given the insufficient response, I would like to move that we move to a new order of business to rectify the situation of the insufficient response from the government and to move a revised motion to get the information we had originally requested.

My apologies for raising this, but we are also under time constraints.

**The Chair:** At this point, I'll ask the witnesses to stand pat and bear with us as we go through this.

As I understand it, one can't simply move to another item of business just because a member wants to, but the committee is able to move to another item of business if the committee agrees to do that, either consensually or by vote. Keep in mind that we still have witnesses in front of us and we haven't closed that off yet, although we could.

You've mentioned privilege as an issue. An item of order and an item of privilege normally take precedence over other business of the committee. If there's a privilege matter or a matter of order, then I could, as chair, entertain that. We have about ten minutes of the normally allotted time, although we're not constrained precisely to a one o'clock adjournment. That's where we are now.

You're urging upon us now a matter of privilege or order. Maybe you could provide some particulars. We have to substantiate that.

I'll let Ms. Hall Findlay finish, but Mr. Warkentin is looking to be recognized as well.

• (1250)

**Ms. Martha Hall Findlay:** Thank you, Mr. Chair.

I will repeat that this is pursuant to a motion that was passed by this committee asking for specific information from the government, to which we have received an insufficient response. It is our obligation to pursue this. If, in fact, we need the committee to vote to go to a new order of business, then I can submit a revised, materially different, motion from the last one, but it's pursuant to our obligations as a committee to get this information.

**The Chair:** I'll hear from Mr. Warkentin.

**Mr. Chris Warkentin:** I understand the interruption came as a result of an issue of privilege. My understanding from the original motion was that there was a flaw within the motion in that it was asking for information from a department that didn't actually have that information. Now there's been an effort, a little bit of a fishing expedition, to find the correct department or some folks who might be able to acquiesce to the suggestion.

I don't think it's actually relevant to a motion of privilege. We as a committee asked a particular department for information they don't have. My understanding was that the response came. No one is trampling on our privilege. It was our lack of asking the right department for the information. That's my understanding. Am I wrong in that assessment?

Mr. Chair, I'd like you to consider that in ruling on whether we should move on to the consideration of privilege simply because we have a flawed motion, rather than because somebody is declining to respond with correct information.

**Ms. Martha Hall Findlay:** Would I actually be able to speak to that?

**The Chair:** The chair is of the view that if the matter being raised is a matter of the privileges of members and, by extension, of the committee and, by extension, of Parliament, then I'd want to hear some discussion of it, with it concluding with some kind of a motion that would allow us to take the matter to the House. This committee isn't empowered to deal with matters of privilege; we would have to take them to the House.

So for whatever bundle of issues Ms. Hall Findlay is raising, if it does involve privilege or order, if it's an order thing we'll settle it here, and if it's a privilege thing, we would have to conclude in some way as a committee with a report to the House on that issue of privilege—it's possible—and debate that a motion directly or indirectly related to that could get raised. That's how I view it right now.

Ms. Hall Findlay.

**Ms. Martha Hall Findlay:** Then, Mr. Chair, I will ask my colleagues to be patient with perhaps my lack of understanding of process if it is better characterized as a question of order. The point here is that this committee approved a motion asking the government for information and asking specifically Treasury Board for information.

Our understanding, from many discussions with various departments—and I want this on the record—is that we have been told that this information we asked for is readily available to people in Treasury Board, Public Works, and Finance. So the fact that it was not forthcoming from Treasury Board, and the reason we were given was that it should have been requested of Public Works, do not, in my view, mean that the motion was flawed.

My concern is that there is information that is being hidden. We feel it's very important as a committee and in our obligation in government operations and estimates, that we have an obligation as parliamentarians to obtain information, that we have asked for that information, and that this effort now, as a question of order, is to put forward a new motion, based on the response we got from Treasury Board, to ensure that we get the information we are rightly entitled to receive.

So whether it's a question of order or privilege, I don't think we need to report anything to the House at this point. This can be dealt with here in the committee. So if it's a question of order, I would ask that this committee now entertain a new motion that is materially different from the last one, but in order that we as parliamentarians can do our job properly.

• (1255)

**The Chair:** Okay.

I'll hear from you, Mr. Warkentin, but could we extend the courtesy to our witnesses at this point of letting them go? Or would you prefer to keep them here until one o'clock?

This may or may not have procedural implications. I haven't thought it through.

**Mr. Chris Warkentin:** My understanding, Mr. Chair, is we that have not changed the committee business. We started because of a point of privilege being raised. Our witnesses are still—

**The Chair:** Yes, the witnesses are still here. We're dealing with a matter of procedural significance here. At some point, we have to let the witnesses go. Otherwise, they'll be stuck here all day.

**Mr. Chris Warkentin:** Well, I hope we're not stuck here all day.

**The Chair:** They may regard this as mildly entertaining. I don't know. I'm sure they have other work to do. In any event, I made the suggestion and there's no take-up.

I have to check with the clerk on where we are. I want to make sure I handle this properly from a procedural standpoint.

Go ahead, Mr. Anders.

• (1300)

**Mr. Rob Anders:** I raised a matter related to this very motion at one of our previous meetings. It was the question of timing. I understand that.

She's now raising a point of order to desperately revisit her motion, which was defeated. A desperate fishing expedition to make a case for an election is what it is. That's exactly what it is. You will have ample opportunity on Friday evening to go to an election if you so wish.

**Ms. Martha Hall Findlay:** Can we actually stick to the business of the committee?

**Mr. Rob Anders:** Tell me what is going on here and I'll address it.

**Ms. Martha Hall Findlay:** We want the information. That's all—

**Mr. Rob Anders:** No. I'll read it into the record so that it's very obvious what's going on. We'll talk about the 300-pound elephant in the room, or whatever it is, that you're not directly addressing, which is that you lost a motion earlier today that you had an opportunity to bring forward at a previous meeting, but chose not to, because you would have lost it then.

Now you are using some sort of procedural mechanism to try to address that issue, which you lost this morning and which you had a chance to put forward and lost previously.

**Ms. Martha Hall Findlay:** Mr. Chair, is it possible to actually address my original—

**Mr. Rob Anders:** I'm addressing it—

**Ms. Martha Hall Findlay:** You were addressing a point of order before allowing an intervention—

**The Chair:** Okay, there are just a couple of things. There's no need to get into motive. We'll just deal with the facts and try to keep the remarks coming through the chair to avoid personal confrontation.

**Mr. Rob Anders:** Fair enough, Mr. Chair.

I called it the way I see it. Additionally, I think the timeframes are ridiculous. The member will have an opportunity to address this in a very fulsome way if she or her leader has the *cojones* to do it on Friday.

There we go.

**The Chair:** Okay.

**Ms. Martha Hall Findlay:** Mr. Chair, I don't want to even go close to a battle about who, between my honourable colleague and me, has the bigger *cojones*.

**The Chair:** I'm of the view that Ms. Hall Findlay could propose something related to her view that there has been a default in delivering on an order of the committee to provide information. We discussed it earlier in the meeting, but it's possible that there are differing views on this. It is a fact that what the committee requested was not delivered, even though there may have been reasons why it wasn't and the department provided a purported explanation.

She could move something related to that at this meeting without it being a new issue. But it would have to be a motion that involved the committee taking steps to crystallize the alleged default, or the default. The committee would have to allege a default, reach that conclusion, hopefully give some guidance to the House, and report that to the House as a report from the committee on a matter of privilege. On how it gets into the House, it could come in as a privilege matter. The Speaker prefers these things to come in as reports. So that's one route.

If we're not going to follow the procedural order or privilege route here, the member is entitled to move a motion that we move to new business. That is not debatable or amendable. We would simply put a vote that we move to new business.

**Ms. Martha Hall Findlay:** I so move that we move to new business.

**The Chair:** Do you have some new business in mind?

**Ms. Martha Hall Findlay:** I have a materially different motion.

**The Chair:** The frame of reference is committee business, so you're moving that we move to committee business.

The clerk believes that to be in order, so we'll put the motion.

There is a request for a roll call vote, Mr. Clerk.

• (1305)

**The Clerk of the Committee (Mr. Michel Marcotte):** The vote is tied.

**The Chair:** Thank you all very much. I'm torn here. I want to have a very brief discussion with the clerk.

Ms. Foote is moving that we allow the witnesses to withdraw. There is a consensus.

Thank you very much for your testimony today. It's been very helpful for the public record.

Mr. Roy has the floor on a point of order.

[Translation]

**Mr. Jean-Yves Roy:** Mr. Chair, you have not voted yet. As I see it, the vote is 5 to 5.

[English]

**The Chair:** No, I'm making a decision on the casting vote.

This isn't going to satisfy all members, but I'm going to cast my vote in favour of the motion. The motion is to go to committee business. In my view, committee business is committee business; it's status quo; it's unshaped. And if we go to committee business, then there's going to have to be a motion that will flow from that. Any motion could flow, but Ms. Hall Findlay has moved it. So I'm going to vote in favour of the motion.

(Motion agreed to: yeas 6; nays 5)

**The Chair:** I will then turn to Ms. Hall Findlay and say, okay, now we're in committee business. Where do we go from here—recognizing what the time is?

Mr. Warkentin has a point of order, I'm sure.

**Mr. Chris Warkentin:** We're in committee business now?

**The Chair:** Yes.

This could be a point of order, actually. I'm going to look to Ms. Hall Findlay. She's the one who moved the motion.

**Mr. Chris Warkentin:** I don't believe a motion has been tabled yet—

**The Chair:** Not yet.

**Mr. Chris Warkentin:** —or moved, but I'm wondering if I could table adjournment at this point in time, make a motion for adjournment, seeing that our time has expired.

**The Chair:** All right.

This is procedurally a very complex meeting.

We have a motion to adjourn, which is non-debatable, and I'll put it. I'm sure we don't need a roll call vote on that.

**Mr. Rob Anders:** I'd like one, just to extend it, Mr. Chair, just to make it long and painful.

**The Chair:** Mr. Anders is requesting a roll call vote, Mr. Clerk. This is a motion to adjourn.

**The Clerk:** It is a tie.

**The Chair:** So I'm casting a vote. In my view, committee business is continuing. I don't think the adjournment.... We're past the scheduled time for adjournment, but we're not required to adjourn at the time of adjournment; therefore, committee business continues.

I'll cast my vote against the motion to adjourn, and then I'll look to someone to propose a motion on committee business.

(Motion negated: nays 6; yeas 5)

• (1310)

[Translation]

**Mr. Jean-Yves Roy:** I would like Ms. Hall Findlay to explain exactly what is involved with the change she has made to her motion and that she wants us to consider.

[English]

**Mr. Rob Anders:** I have a point of order, Mr. Chairman.

**The Chair:** Yes, on a point of order, Mr. Anders.

**Mr. Rob Anders:** Mr. Chairman, we've already dealt with Ms. Hall Findlay's motion. It was defeated; it was negated at the beginning of this meeting, sir. It had an opportunity to come forward at the previous meeting, and you chose not to bring it because the votes clearly indicate it would have been negated. We are past the regular allotment of time for this committee, Mr. Chair. I think that this is, in a sense, parliamentary silly buggers.

**Ms. Martha Hall Findlay:** On a point of order, Mr. Chair, this is actually an entirely different motion.

**Mr. Rob Anders:** I'm still on my point of order, Mr. Chair.

**The Chair:** All right. Could you wrap up?

**Mr. Rob Anders:** If there is to be a motion moved, then we require 48 hours' notice—none of this business of bringing it up five minutes before the end of a meeting.

**The Chair:** Okay.

Ms. Hall Findlay, you did say you had a point of order.

**Ms. Martha Hall Findlay:** My point of order is that this was in fact raised appropriately under the procedural rules, and it is a materially different motion to address my colleague's concerns. It is a materially different motion.

**Mr. Rob Anders:** On a point of order, if it is a materially new motion, Mr. Chair, I want 48 hours' notice. She's admitted here in committee that it's a materially new motion.

**Ms. Martha Hall Findlay:** But it is in response to a motion that we passed last week.

**Mr. Rob Anders:** We need 48 hours of notice. She can bring this forward on Thursday.

Thank you very much.

**The Chair:** Order.

The points you're making and the point of order could be made in debate on whatever you're going to propose. You have a new motion now that you would propose for committee business, so if you could move that, we could get to that.

**Ms. Martha Hall Findlay:** I will do that. I'll read it out in its entirety. Again, this is pursuant to the motion that was passed at the last meeting to which we did not get a sufficient response. It is materially different from the one we addressed earlier, because two significant portions have been completely removed. The first portion has been changed.

I will read the new motion:

That Public Works and Government Services Canada, or such other department of the Government of Canada as is appropriate, provide to the Standing Committee on Government Operations and Estimates by 11 a.m. on June 18, 2009, the most recent Central Financial Management Reporting System data for 2008-09 fiscal year expenditures and lapses by department.

**Mr. Rob Anders:** A point of order, Mr. Chairman.

**The Chair:** May I clarify that? As I read it, this is identical to point one of the original motion.

**Ms. Martha Hall Findlay:** No, it's not.

**The Chair:** Oh. I'm sorry.

**Ms. Martha Hall Findlay:** This is materially different from the first one. Two of three parts of it have been completely removed and the first part has been changed materially by amending the date required.

**The Chair:** Okay.

Mr. Anders on a point of order—or is it on debate?

**Mr. Rob Anders:** I think it's a point of order, Mr. Chairman. The mover has indicated that this is materially different. I do not have a written copy of the new motion. I do not have it *en français*. For all of these reasons, it should be dealt with on Thursday, Mr. Chair.

**The Chair:** Monsieur Roy.

[Translation]

**Mr. Jean-Yves Roy:** I so move. I have it in French and we have it in English because it is the first paragraph of the motion that was put before us previously. I call the question.

● (1315)

[English]

**Mr. Rob Anders:** A point of order, Mr. Chair.

**The Chair:** We're on debate on this motion. You can participate in debate.

If you have a point of order, go ahead.

**Mr. Rob Anders:** Mr. Chairman, you're going to beg me to challenge the chair in a minute here, because we have a motion supposedly on the floor. We have something that's being proposed as a secondary motion. Is that an amendment to the main motion? Is it a friendly amendment? What's going on?

This is a procedural mess, Mr. Chairman. We need a ruling here. What is that?

**The Chair:** Monsieur Roy has moved that we proceed to the vote on the motion.

**Mr. Rob Anders:** I heard a contrary motion. That's what I heard.

**The Chair:** Could you refresh the chair's recollection of it?

**Mr. Rob Anders:** I believe there was a change to the original motion by Ms. Hall Findlay, so the question is whether it's a new motion, a friendly amendment, or an amendment to the main motion. What is going on, Mr. Chairman? What's your ruling on that?

**The Chair:** Monsieur Roy did not urge a change to Ms. Hall Findlay's motion.

**A voice:** He just read it.

**The Chair:** He was simply indicating, describing it accurately, and then he moved that we proceed to the vote on it. He has moved that we dispense with further debate. So here we are taking a vote on whether or not we should continue debate. All in favour—

**Voices:** Oh, oh!

**The Chair:** Actually, the clerk reminds the chair that in committees, as opposed to Parliament, we can't receive a motion to terminate debate, so the debate can continue if members wish. We're on debate on Ms. Hall Findlay's motion.

I do not see any....

Mr. Calandra.

**Mr. Paul Calandra:** I just want clarification, then, Mr. Chair. Am I wrong about the 48 hours' notice? Are we just tabling a motion, and we will then wait 48 hours and next Thursday at 1:15 p.m. the 48 hours will come upon us, or are we dispensing with all those rules altogether and just making up some new rules right now as we go along?

Am I to also take it that from now on when we actually want to proceed to new business, no matter at what time, when it is, as long as the precedent has been set, basically, you will always vote in favour of moving to new business because the chair has voted that way this time? Could you just explain those two things to me, because I'm a bit foggy as to why we establish rules when we set the committee and then we just make entirely new rules on the fly.

I know I submitted a motion myself once that couldn't be debated because the 48 hours hadn't actually occurred, but it seems now

we're setting some new rules. Could you clarify that for me before I vote?

**The Chair:** Had you at that time, Mr. Calandra, moved a motion that the committee go to new business, and if the committee adopted the motion, then the absence of 48 hours' notice wouldn't have mattered. In this case there has been a motion that we move to new business.

[Translation]

**Mr. Jean-Yves Roy:** A point of order, Mr. Chair.

[English]

**The Chair:** Let me just finish with that one.

Are you okay with that? I'm not making up rules as we go along. I'm trying very hard to follow the rules.

**Mr. Paul Calandra:** The 48-hour rule doesn't necessarily—

[Translation]

**Mr. Jean-Yves Roy:** Excuse me, Mr. Chair...

[English]

**The Chair:** Sorry, I'm on a point of order, Monsieur Roy.

The 48-hour rule governs a motion that's put forward, but if the committee moves to take up a matter of business, in the face of there not being 48 hours' notice, it's free to do it. It is free to do it as a committee, and this committee just a few minutes ago voted to entertain a motion.

**Mr. Paul Calandra:** So then it's safe to say—sorry, because I know you're very good on procedure—

**The Chair:** No, I've tried to answer your point of order.

**Mr. Paul Calandra:** It's on the point of order.

**The Chair:** I have another member who has a point of order.

**Mr. Paul Calandra:** Okay, and then we'll go to another one after. No, that's fine, we'll go to Monsieur Roy's point of order.

**The Chair:** This may or may not set a precedent. I don't think it does—chair rulings don't.

Monsieur Roy, on a point of order.

[Translation]

**Mr. Jean-Yves Roy:** Mr. Chair, you did not have to respond to that intervention because we were debating the motion and not the procedure. We have to get back to the debate on the motion. If there is no debate on the motion, once again, I call the question.

● (1320)

[English]

**The Chair:** The chair agrees with that.

Is there any further debate on Ms. Hall Findlay's motion?

**An hon. member:** Mr. Chairman—

**The Chair:** I have Mr. Brown with a hand signal.

**An hon. member:** Fair enough.

**Mr. Patrick Brown:** I want a clarification, too, for future reference. Is changing the date—

**Ms. Martha Hall Findlay:** We're debating the motion, not the procedure.

**Mr. Patrick Brown:** No, it is, actually. It's in regard to your motion. Is that your ruling?

I didn't interrupt you, Martha, so I'd appreciate it if you wouldn't interrupt me when I make a brief comment.

Is changing the date considered substantially different so that...? It's the exact same motion except for changing the date, just so we know.

**Ms. Martha Hall Findlay:** With respect, two-thirds of the motion was deleted, so it is materially different. In fact, those two were deleted because it was done at the request of Mr. Warkentin. This is a materially different motion from the one originally proposed.

Monsieur Roy has pointed out that the issue now is that the motion is there and it is to be debated, Mr. Chair. This has all been voted on. It would be helpful if we could actually now debate the motion itself.

**The Chair:** Okay. The question is not whether it's materially different—is it different—the motion is different. No one is arguing that it is the same motion as the one adopted two days ago, or the one that was disposed of earlier in the meeting. It's a different motion.

So, now, is there any further debate?

Mr. Anders.

**Mr. Rob Anders:** I'm wondering, I felt that your response to Mr. Calandra was questionable with regard to whether or not you're setting a precedent.

[Translation]

**Mr. Jean-Yves Roy:** A point of order.

That has nothing to do with it. We are discussing the substance of the motion now, not the procedure.

[English]

**The Chair:** We're certainly debating the motion. Monsieur Roy is correct, and Mr. Anders says he wants to debate it.

**Mr. Rob Anders:** Mr. Chairman, I'm not sure that was an accurate or fair description or ruling on your part, and I'm wondering whether Mr. Calandra would like a vote to challenge the chair with regard to his explanation or findings on that.

[Translation]

**Mr. Jean-Yves Roy:** That is procedure, Mr. Chair. I am sorry, we cannot go back to procedure.

[English]

**The Chair:** Mr. Anders has the floor on debate. Carry on.

**Mr. Rob Anders:** I'm trying to figure out whether Mr. Calandra would like to have a vote on the challenge of the chair part of that.

**The Chair:** You're not free to sub-delegate items of debate and business and orders. You have the microphone. You're not in a position to invite Mr. Calandra to join you in a collaboration on something here. You have the floor as a debater.

**Mr. Rob Anders:** Mr. Chair, then I'll go ahead and challenge the chair with regard to that ruling. I think that was incorrect, and I think it sets a horrible precedent for the committee. I don't think it agrees with your previous decisions or decisions of other chairs in previous matters related to that.

**The Chair:** What was the ruling that's being challenged?

**Mr. Rob Anders:** The issue is that Mr. Calandra's previous motions were disallowed because they required 48 hours' notice, whereas the requirement for 48 hours' notice is obviously not being applied to Ms. Hall Findlay's motion. That is an inconsistent and inappropriate ruling by you as chair.

**The Chair:** I didn't give a ruling; I just gave an explanation.

**Mr. Rob Anders:** I think I disagree with your explanation. I think Mr. Calandra would as well, sir.

**The Chair:** Well, you're entitled to that.

**Mr. Rob Anders:** I am entitled to it, sir.

**The Chair:** So it's done. The disagreement is fully recorded.

**Mr. Rob Anders:** Well, sir, I think we should have a vote on the challenging of your position with regard to that, and evaluate your chairmanship.

**The Chair:** You're not in a position to challenge my views. You're in a position to challenge a ruling, but I didn't make a ruling. But your views are clearly noted on the record.

**Ms. Martha Hall Findlay:** Mr. Chair, I think we can solve this right away.

**The Chair:** On debate, Ms. Hall Findlay, or on a point of order, whichever....

**Ms. Martha Hall Findlay:** I'm not sure now, given all the terminology that has been bandied about, but I will offer to pull back the motion and we will give the 48 hours' notice and have it revisited on Thursday.

**The Chair:** All right, or we can simply continue debate on Thursday when we come back, but either way—

**Ms. Martha Hall Findlay:** We will ensure that any concerns about process, though perhaps unwarranted, will be addressed, and then we will bring this back Thursday.

**The Chair:** All right. Thank you very much for that.

**Ms. Martha Hall Findlay:** Thank you, Mr. Chair, for your patience.

**The Chair:** Thank you, colleagues.

May we adjourn? It looks as though we can.

We're adjourned.







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