



House of Commons
CANADA

Standing Committee on Government Operations and Estimates

OGGO • NUMBER 030 • 3rd SESSION • 40th PARLIAMENT

EVIDENCE

Tuesday, October 19, 2010

—
Chair

The Honourable John McKay

Standing Committee on Government Operations and Estimates

Tuesday, October 19, 2010

• (0845)

[English]

The Chair (Hon. John McKay (Scarborough—Guildwood, Lib.)): Ladies and gentlemen, I'd like to call this meeting to order, please.

This is meeting number 30 of the Standing Committee on Government Operations and Estimates.

There are a couple of motions before the committee, both in substantially the same form. I'd like to deal with those motions first. I'd ask both proponents to speak very briefly in favour of their motions, because the chair does need some guidance as to some ordering of the committee's agenda.

Madam Bourgeois, I recognize you first.

[Translation]

Ms. Diane Bourgeois (Terrebonne—Blainville, BQ): Thank you, Mr. Chair.

On October 8, I introduced a motion to discuss my proposal today, October 19. It deals with the awarding of contracts by Public Works and Government Services Canada and it is a matter for the Standing Committee on Government Operations and Estimates. You have all received the motion.

Mr. Chair, do you think that I really have to read it? It is a long one.

[English]

The Chair: I don't think it's necessary.

Are there any amendments to the motion?

Ms. Siobhan Coady (St. John's South—Mount Pearl, Lib.): Thank you very much, Mr. Chair.

We are in favour of this motion, but I would like to propose a friendly amendment. In light of the fact that there is a current study ongoing in the procedure and House affairs committee, I would propose that we remove only Hubert Pichet, assistant to Conservative Senator Pierre Claude Nolin, from the list of witnesses in that motion. That is because we're going through that whole study about having staff appear before committee—that is in the procedure and House affairs committee. So I'd suggest and ask that that little bit be removed from the motion, and then we'll be in favour.

The Chair: Madam Bourgeois, do you receive that as a friendly amendment to the motion?

[Translation]

Ms. Diane Bourgeois: Yes, I will accept a friendly amendment.

[English]

The Chair: Mr. Martin.

Mr. Pat Martin (Winnipeg Centre, NDP): The only thing I might add, which may save us the time of going through the second motion that's put forward, and I do support Madam Bourgeois' motion, is to add the detail that is different in mine, which is that we recommend a moratorium on all contracts and tendering related to and associated with the architectural restoration of the Parliament Buildings until such time as this committee can undertake its study to assure ourselves that there is no political interference or tampering or hanky-panky in the contracting process.

The Chair: First of all, for the purposes of order, can we treat both motions as one for the purposes of the overall committee decision?

Mr. Pat Martin: I like that idea.

The Chair: Okay, then we'll do that. The motion is as amended by Madam Coady.

I will recognize Mr. Warkentin.

Mr. Chris Warkentin (Peace River, CPC): Mr. Chair, this morning I sense that this may take some time, if we were to debate and deliberate. I'm wondering if there is a possibility that we might be able to table this motion to a steering committee meeting so that it can be undertaken.

I have a number of questions in that I don't know any of these people named in this motion. I have no idea what exactly is the intent of calling these witnesses. It might take some time to investigate or understand exactly what's going on.

I'm wondering, Mr. Chair, if there's a possibility that we might be able to table this to a meeting when we don't have such a full schedule.

The Chair: Madam Bourgeois.

[Translation]

Ms. Diane Bourgeois: Mr. Chair, given that we have to get to the bottom of this quickly, I think I am going to accept Mr. Martin's amendment, if he makes it officially. Then we will be able to move to a vote as quickly as possible.

•(0850)

[English]

The Chair: Mr. Warkentin has suggested that we postpone the discussion of this matter to the steering committee on Thursday.

From the standpoint of the chair, that would actually be my preference. The motions have been presented. There is guidance here to the chair as to which way the committee wishes to proceed, if you will, on the content of where you want to proceed.

I don't know that arguing over technicalities in the motion will contribute a great deal.

I would, first of all, ask the committee whether we are prepared to follow Mr. Warkentin's suggestion, namely that we deal with this matter before the subcommittee.

[Translation]

Ms. Diane Bourgeois: No.

[English]

The Chair: If, in fact, the committee is not prepared to deal with it before the subcommittee, does that mean you want a full-bore debate on this motion before we hear witnesses?

Mr. Chris Warkentin: Mr. Chair, there are a number of things in this that are simply completely wrong and it's important that they be on the record before we vote on something. I looked at this and I hardly know any of the names on this list. According to this motion, this Gilles Varin, who is a Conservative Party of Canada organizer... Any of the media who have covered this have had an impossible time trying to trace his involvement with the Conservative Party. I do understand that he made donations to the Liberal Party and that he has been quite aggressively campaigning for a member of your caucus, Mr. Chair, but I have no understanding as to why that would be included here. I think it's important that we, as a committee, if we're going to have any credibility, don't simply play politics, that we actually provide accurate details. The first thing we must do is cross out this Conservative Party of Canada organizer, because it's absolutely unfounded and untrue. That would be the first requirement from this side.

In terms of these other folk, I need an explanation from my colleague opposite as to who these people are. I have no understanding. I've done some research on some of them. Some of them look to be entirely irrelevant to the study at hand. I'm wondering if the honourable member would explain exactly why she's intending to bring these people forward, who they are, and what they might contribute to this committee.

The Chair: I'd like to point out to the committee that the longer you debate this, the more time you take away from your own witnesses on subjects that you previously deemed to be important. The chair is obviously in the hands of the committee. If in fact there are motions that you wish to debate, the chair has to recognize the will of the committee.

My suggestion, as an attempt to deal with this, is that you come to a vote. In effect, the vote would instruct the subcommittee to arrange for witnesses, and that you proceed to our witness here today. But I'm open to the direction of the committee; I have to be.

Mr. Pat Martin: Call the question, Mr. Chairman. We can vote on the matter and we can argue witnesses at a later time.

The Chair: Okay. Mr. Holder and Mr. Warkentin.

Mr. Ed Holder (London West, CPC): Thank you, Chair.

I would like to take your recommendation forward and say that it's more important to do this right than to do this fast. No one is trying to slow this process down. I think to take it to subcommittee, as you've suggested, is very logical and still maintains an openness, because you'll be reporting that back fairly quickly, so I would endorse that recommendation.

Thanks.

The Chair: Mr. Warkentin.

Mr. Chris Warkentin: Mr. Chair, there's been conversation that we could deliberate about witnesses later, but right now there's a prescription for who the witnesses would be. We, as a committee, don't know why these witnesses are included in this motion. I think it's out of respect for other committee members—it's essential—that Madam Bourgeois explain to committee why she has included the list that she has. I see this list and it's very prescriptive as to who she wants to come forward. I don't know that she knows why she's prescribed these people. I think somebody in her office or in her leader's office has made a determination that she should include certain people. Now she has come forward, because right now she has given absolutely no explanation as to why she would include the people she's included. In the absence of that, I see it as irresponsible for committee members to vote for this prescriptive list of witnesses in this prescriptive motion without any explanation as to why. We have no explanation. Further to that, as I'm looking through this witness list, we have a senator's staff member that's included in this. I believe it's absolutely essential that that member be removed.

A voice: It's already done.

Mr. Chris Warkentin: Okay, so Ms. Coady has removed that.

•(0855)

The Chair: Mr. Martin, a last comment on this.

Mr. Pat Martin: I wanted to very briefly remind Chris that if he reads to the end of the motion, it does say "as well as any other witnesses the Committee deems relevant". And we have taken care of the one irritant of a staff member to a senator and he is no longer on the list. I think he should be, but because the Conservative Party refuses to send witnesses that we call, if they're staff people, I think in the interest of moving this along that person should be removed.

I don't think we should tie this up any longer either, Mr. Chairman. I agree with you; we should hear the witnesses that we have, and I think we should put this matter to a vote.

The Chair: Okay. I'm going to call for a vote.

Mr. Chris Warkentin: Mr. Chair, that doesn't address the concern. I mean, he says we can add witnesses. I still haven't got any kind of an explanation as to who these other people are. Madam Bourgeois has given no explanation. I'm not certain that she knows. I'm not sure what kinds of games are—

Some hon. members: Oh, oh!

Mr. Chris Warkentin: Well, she's sitting there and she's not giving any explanation.

Out of respect for other committee members, out of respect for this committee, I think it's important that she give some explanation as to why she's calling the members that she's calling.

Madam Bourgeois, I'm wondering if you would comment on that.

The Chair: I'm going to call the vote because we've now run through 25% of Mr. Head's time—the Correctional Services' time—and it's getting close to an abuse of witness....

Okay, I'm going to recognize two more and then I'm going to call for a vote.

Mr. Calandra was first, Mr. Holder second.

Mr. Paul Calandra (Oak Ridges—Markham, CPC): I know Mr. Warkentin had mentioned there were some issues with respect to how it was worded. I know Ms. Coady amended Mr. Pichet. I'm wondering if we can also make the amendment that we remove the wording “the Conservative Party of Canada organizer”. Or are we going around the province of Quebec looking for a person who works for the Conservative Party of Canada by this particular name? If we find no such person who's actually employed by the party under this name, is that person then not coming?

I wonder if this doesn't also relate back to an earlier discussion that was had at this committee with respect to the lobbying of a member where it was ruled that the procedure and House affairs committee should be looking at this and not necessarily this committee.

So I'm wondering if we can have a friendly amendment to accept the removal of “the Conservative Party of Canada organizer”, because I doubt we'll find such a person, and if this is not something—and you can judge this—rightfully dealt with at the procedure and House affairs committee and not here.... And that was a ruling that was made. It was something that the member from Mississauga South championed at this committee with respect to the activities of the member for Scarborough—Rouge River. We've already made a ruling on that type of issue coming before this committee, and now a couple of months later we've decided that ruling is no good and we should go right back at it and take it away from the procedure and House affairs committee.

So there's the friendly amendment and the ruling on whether this is appropriate use of this committee's time.

The Chair: I take it you wish to have that.

Madam Bourgeois, do you regard the deletion of “Conservative Party of Canada organizer” as a friendly amendment?

The answer is no? Okay.

[*Translation*]

Ms. Diane Bourgeois: His title is not important anyway. The important thing is that his name stays.

• (0900)

[*English*]

The Chair: So can we delete “Conservative Party organizer”?

[*Translation*]

Ms. Diane Bourgeois: Yes.

[*English*]

The Chair: Okay, so that's out.

The procedure and House affairs committee is another issue altogether.

Mr. Holder, last comment.

Mr. Ed Holder: Thank you, Mr. Chair.

I'm mindful of your comment that we are severely cutting into our guests' time today, and I think it's terribly unfortunate. I think there are a number of things still to be discussed to do this right. I'd like to amend this motion, that we move this to subcommittee and ask for a vote.

The Chair: Well, it will effectively be at subcommittee regardless because the subcommittee will have to organize the committee's affairs next Thursday. So it's going to be dealt with there regardless.

Mr. Ed Holder: Then it's a curious thing to me, Chair, that we've absorbed as much time as we have on this.

The Chair: Oh really?

Mr. Ed Holder: Yes, sir.

The Chair: Okay.

Will we treat them as one motion?

Those in favour? Those opposed?

Mr. Chris Warkentin: Is this Mr. Holder's motion that we're voting on?

The Chair: No, it's going to end up in subcommittee.

Mr. Chris Warkentin: No, no, he's saying to defer it. He made a motion to do that. I'm wondering if that's what we're voting on or if we're voting on the main motion.

The Chair: I didn't understand that to be a motion.

Mr. Ed Holder: Yes, that was my intention.

The Chair: All right.

Okay, then it is a motion; it is not an amendment. Or is it an amendment?

Mr. Ed Holder: No, it's a motion, Chair. It is a formal motion.

The Chair: If it's a motion, then it would follow after this motion.

So on this motion, as amended twice by friendly motions, those in favour? Those opposed?

(Motion agreed to [See *Minutes of Proceedings*])

The Chair: The next motion is that this be dealt with in subcommittee.

An hon. member: It's irrelevant.

The Chair: The chair casts the vote in favour of that motion.

(Motion agreed to [See *Minutes of Proceedings*])

The Chair: Okay. Thank you, ladies and gentlemen.

I apologize to Mr. Head and Madam Dumas-Sluyter for taking from your time, but we are very keenly interested in what you have to say. I expect that you have an opening statement, and thereafter members will wish to ask questions.

So thank you, and welcome.

Mr. Don Head (Commissioner, Correctional Service Canada): Thank you, Mr. Chair, and thank you to the committee for allowing me to appear at a later date than you originally requested. My schedule was quite full, but I'm glad to be here today.

Good morning, and thank you, Mr. Chair and committee members, for the opportunity to discuss how the freeze on departmental budget envelopes and government operations will affect the daily operations of the Correctional Service of Canada.

I'd also like to address the impact on CSC operations that can be expected from the legislation connected with the government's criminal justice initiatives, in particular the Truth in Sentencing Act and the Tackling Violent Crime Act.

The freeze on the Correctional Service of Canada's departmental budget envelope and operations applies to operating budgets only, as you know. Operating budgets will be frozen at the current levels, and the freeze will also apply to 2011-12 fiscal year and 2012-13 fiscal year reference levels.

There is no freeze on wages. CSC employees will receive the salary increase for this year resulting from collective agreements and set at 1.5% by the Expenditure Restraint Act. As with other departments, the Correctional Service of Canada will absorb this increase as well as any increases to salaries and wages in 2011-12 and 2012-13 that result from future collective agreements.

Work is well under way at CSC to improve efficiencies within our operations to pay for these increases. For instance, we have introduced new staff deployment standards at our penitentiaries for our correctional officers. We are also now using computerized rostering systems to ensure that we are efficiently staffing our facilities on a 24/7 basis. This is improving our effectiveness by ensuring that our people know when and where they will be working their shift rotations well in advance. It will also help to reduce our overtime expenditures by more efficiently replacing correctional officers who are absent on training or leave.

We've also improved our integrated human resources and business planning methods to more accurately forecast our staffing and recruitment needs going forward. Because our penitentiaries must be properly staffed 24 hours a day, seven days a week, 365 days a year, we make every effort to maintain our staff complement at appropriate levels. This is an important part of minimizing the overtime that would otherwise be incurred to fill vacant posts in our facilities.

Personnel costs represent our largest expenditure. For fiscal year 2010-11, Correctional Service of Canada's main estimates are approximately \$2.5 billion, and personnel expenditures, including salaries and benefits, represent approximately 61% of the budget, or \$1.5 billion. The rest is dedicated to operating costs, which represent approximately 25%, \$625 million, and capital investments at approximately 14%, \$329 million.

It's important to note that 90% of CSC's budget is non-discretionary and quasi-statutory. CSC has fixed costs that it must fund on a continuous basis. These include the provision of food to offenders, the utility costs related to the maintenance of our accommodations, clothing for offenders, and uniforms for our staff. The remaining 10% provides us with some opportunity and flexibility to seek out ways for us to meet the freeze on operating costs. I am confident that we will continue to find improvements in our program delivery that will help us to absorb these costs.

The government's criminal justice initiatives will present some opportunities for CSC as well as some challenges. The primary impact of the legislation will be a significant and sustained increase to the federal offender population over time. This will be particularly evident in the short to mid term.

As the members will know, the Truth in Sentencing Act replaces the two for one credit for time in custody before sentencing to a maximum of one day of credit for each day served in provincial detention. Only under exceptional circumstances may a judge provide a 1.5-day credit. Consequently, many offenders who would have previously received a provincial sentence will now serve a federal sentence of two years or more, and those who would have received a federal sentence will now receive a longer federal sentence.

Normally we would have expected an incarcerated population of about 14,856 by the end of the 2014 fiscal year. This figure is a result of our projections for regular growth, which is set at about 1% for male offenders and about 2.8% for women offenders. However, we are expecting an additional 383 offenders by the end of the 2014 fiscal year as a result of Bill C-2, the Tackling Violent Crime Act. And with the implementation of Bill C-25, the Truth in Sentencing Act, our analysis is forecasting an increase of 3,445 more offenders, including 182 women, by 2013.

● (0905)

Mr. Chair, this is a considerable increase over such a short period of time. The additional 3,828 offenders resulting from Bill C-2 and Bill C-25, together with our normal projections, represents a total growth of 4,478 inmates in the 2014 fiscal year and an anticipated total penitentiary population of 18,684 offenders by March 31, 2014. This growth, Mr. Chair, well exceeds our existing capacity today.

We are moving quickly to identify the measures required to address these population increases, and we are taking a multi-faceted approach. Several measures are now being developed, including temporary accommodation measures such as double-bunking. We are also now in the process of tendering for the construction of new accommodation units, program space, and support services within existing Correctional Service Canada institutions.

Regarding the expanded use of shared accommodation, I should note that it will be aligned with greater offender accountability. We expect offenders to be out of their cells engaging in programs and making positive efforts to become law-abiding citizens who can contribute to safe communities for all Canadians when they are released. These temporary measures will be implemented in a way that will minimize any adverse impact on front-line service delivery at our institutions. I assure you that with the proper support, any steps we take around budget implications and capacity issues will not jeopardize public safety or the safety of staff or inmates.

With respect to the new units, we can expedite the design and construction process by using proven and refined designs. Furthermore, we are strategically planning expansions at institutions located where we expect the greatest increases. Beyond expanding our facilities, CSC will be improving our program delivery capacity to meet the needs of an increasingly complex and diverse offender population. This includes programming for offenders who require treatment for mental health disorders and addictions, or those who are trying to break from their affiliations with gangs, particularly among our aboriginal offender population.

I should note that we are expecting the largest increase in our prairie region, where we will need 726 more accommodation spaces. As this region is where a majority of our aboriginal offenders are housed, we are currently reviewing our aboriginal corrections strategy to improve our delivery of education and employment training. This will assist in the safe reintegration of our aboriginal offenders back to their home communities.

Of course, there is a cost to all of this. Our current estimates are approximately \$2 billion over five years in order to provide sufficient resources to address the additional double-bunking that will occur and to get the new units up and running. This also includes funds to ensure that we continue to provide offenders under our supervision with access to programs.

The assessment of this legislation's impact on CSC will be a long and complex process. As we continually monitor this impact, we will continuously fine-tune our approach to accommodate population increases and adjust our service delivery. We will also seek to connect this short- and medium-term impact with future requirements associated with the aging and inadequate infrastructure at some of our older institutions.

A long-term accommodation plan that will provide a forecast to the year 2018 is expected to be presented for consideration by this spring. As we move forward, we will be consulting with our partners and the communities in which we are located across Canada to ensure that we proceed in a transparent and collaborative fashion.

Of course, with the short- and long-term accommodation measures I've mentioned above comes a necessary increase in our

staff complement. As indicated in the most recent report on plans and priorities, CSC is planning to staff an additional 4,119 positions across Canada over the next three years. This increase will enhance our capacity to carry out our mandate, help in our work with offenders, and improve our public safety results. I am very sensitive to the possible effects of an offender population increase on the work and safety of my staff in our penitentiaries and parole offices, whether they are existing staff or new hires. But I'm also very aware of, and extremely confident in, the commitment and ability of my employees to deliver high-quality correctional services that produce good public safety results for Canadians. I am speaking about our correctional and parole officers, our vocational and program staff, our health care professionals, and our support staff and management teams across the country. These are dedicated people, and the additional staff who will be added over the coming years will significantly help those who are on the ground today working with offenders.

● (0910)

We have been modernizing the way we select and train our correctional officers and other staff, and we work together with our union partners to make sure we are hiring the best-suited people who are committed to making a difference in the lives of others and the safety of their communities.

While it's clear that the criminal justice legislation and the spending freeze will pose some challenges, I am confident that the Correctional Service of Canada will successfully adapt and continue to provide good public safety results for all Canadians.

Mr. Chair, in closing, I wish to thank you for this opportunity to speak to the committee, and I welcome any questions you may have today.

The Chair: Thank you, Mr. Head.

We'll now turn to members' questions.

Madame Coady, for eight minutes, please.

Ms. Siobhan Coady: Thank you very much for taking the time and making yourself available today. We certainly appreciate it, and thank you for waiting a couple of extra minutes while we dealt with a motion. We certainly appreciate that, and we appreciate you having the time to give us such a good outline.

I have several questions. I just want to talk about your budgeting process. As you are well aware, the Parliamentary Budget Officer has said they think you're going to need more funding projections for the federal sentencing act, as you've put it before. He thinks there's a requirement gap, for example, in this year of about \$1 billion, next year of about \$1.2 billion, and the year after of about \$1.15 billion. Could you just comment on the differentiation?

And while you're commenting on that...you're hiring an additional 4,119 full-time employees, I think you said. At the beginning of your discourse you said the salary package is about 90% of your budget, so I'm wondering where the discord is here. You say you're hiring a tremendous number of full-time employees and adding to your cost base on a go-forward basis, and we're also hearing from the PBO that you probably haven't budgeted enough money. Could you comment on that, please?

Mr. Don Head: Thank you very much for that question, and I look forward to trying to explain it as clearly as I can.

I'm quite confident with the numbers that we have projected based on the information that's available to us. We have had an opportunity to review the Parliamentary Budget Officer's report, and I think, as you're quite aware, there are some differences, partly because there were certain pieces of information that we couldn't provide the Parliamentary Budget Officer as a result of cabinet confidence. Therefore, some of his calculations are based on some assumptions that are not the assumptions we have used in our process.

We've looked at many things in our calculations, including past trends in terms of overall population growth. You heard me mention earlier our normal population growth of about 1% for men and about 2.8% for women, and that's based on historical data and trends that are available to us.

As it relates to the bills I mentioned, particularly Bill C-25, we used a set of assumptions that are slightly different from the Parliamentary Budget Officer, and some of the assumptions the Parliamentary Budget Officer used are not ones we would use. For example, in the Parliamentary Budget Officer's report, he bases some of his calculations on about an 8,000-plus offender admission rate into CSC. Our admission rate is lower than that. His calculations actually include admissions for not only warrants of committal, new offenders coming into the system, but also individuals coming back on suspension or revocation from the community. So those are not new offenders; they're just offenders who are already in the system who are being suspended. So there's almost a 50% difference in terms of calculation from admission rates when you start to look at that.

As well, in his calculations, again based on the information that was available to him, he looked at using total operating costs for CSC as opposed to those that are directly linked to providing services to offenders at the custody and intervention level.

So those two areas create some differences in the numbers.

● (0915)

Ms. Siobhan Coady: Well, I'm confused as to how almost \$4 billion in differentiation can be explained away by cabinet confidences. I'm also equally concerned that your department wasn't able to meet with the Parliamentary Budget Officer in a way that

would allow him to have that kind of discussion as to how the set of assumptions could be, I guess, set into the same view.

Could you tell me what your estimated impact of the Truth in Sentencing Act is going to be?

Mr. Don Head: Yes. In terms of Bill C-25, the estimate is \$2.1 billion over the five-year period. That includes operating costs, capital costs, and the employee benefits plan. As an example, for 2010-11 the cost or the infusion into our budget is just over \$88 million. That ramps up to \$572 million or \$573 million next year. By 2014 and 2015, we're looking at an ongoing steady cost of a \$447 million addition to the Correctional Services budget base.

Ms. Siobhan Coady: I'm still grappling with your moneys, your main estimates and your supplementary estimates, because of the exorbitant costs. You've been discussing and telling us today that your operating budgets are frozen, that you're hiring 4,200 people, and that you also have a big capital project under way. When I look at your estimates and at some of the increases, they're almost 100% in the acquisition of land, buildings, and works alone. When you look at those kinds of expansions, it's very difficult to see how it's just going to be \$2.1 billion.

When the Parliamentary Budget Officer did try to make himself available and tried to have that conversation, was it the department or was it somebody else who was saying not to meet with the Parliamentary Budget Officer?

Mr. Don Head: The practice has been that any information we have, that goes through the normal Treasury Board-cabinet discussion processes, is treated as cabinet confidence. That's the way that business has always been done. We've respected those rules. There was no other direction given to us. We respected the rules that have been in tradition for quite a long time.

● (0920)

Ms. Siobhan Coady: And therefore you did not feel that you had to meet with the Parliamentary Budget Officer.

I want to move on.

You foresee big changes in the size of the prison population in the federal correctional facilities in the coming years. Looking at the Parliamentary Budget Officer's report, we see an impact of the Truth in Sentencing Act. For example, on total correctional funding requirements, for the funding requirements of 2009-10 it looks like about 49% of the total is for the province and the territories. But that moves to 56% by the year 2015-16. In other words, the cost of this would be absorbed by the provinces and territories predominantly.

In my home province of Newfoundland and Labrador we have a provincial institution where we house federal inmates while they're being remanded. Have you allocated any additional budget to ensure that, for example, these federally remanded inmates are housed properly in provinces where there is no federal facility?

The Chair: Mr. Head, Madam Coady has left you with about a ten-second reply. Could you be very brief and maybe work the reply into some other line of questioning?

Thank you.

Mr. Don Head: Yes, we've looked at the cost overall and at how we proportion that across the country, including exchange-of-service agreements, which are what we have with the Province of Newfoundland and Labrador.

Ms. Siobhan Coady: And that's near \$2.1 billion?

Mr. Don Head: Those are part of all the costs, yes.

The Chair: Madam Bourgeois.

[*Translation*]

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

Thank you for being here, Mr. Head and Ms. Dumas-Sluyter. I am very grateful to you for your attendance. Thank you also for your patience at the start of the session.

As I listened to your presentation, I noticed that you were very familiar with the present situation in the penitentiaries. That puts you at a great advantage. Often witnesses we have had here were concerned with the bureaucratic aspects, but did not have the knowledge of the real situation that you do.

Mr. Head, I think we have to look at the present situation in the penitentiaries in order to be able to project and predict what will happen, given the two acts that you have to deal with and the increase in the numbers of offenders that will suddenly arrive at your door in the next few months.

At the moment, the situation is deplorable. I have in my hand some letters from CX employees, saying that their training has been greatly cut back. The training budget, which was more than \$1 million, is to be reduced, in fact. So CX employees do not feel safe. They have to be trained to learn how to use their weapons, but that is not happening. That is the first thing.

Second, some institutions are overcrowded, which leads to a tense climate. Because of the overcrowding, inmates cannot get the hours of recreation to which they are entitled, in order to go into the yard, to take courses or work at their trades, or even to just do what they have to do—after all, there is some rehabilitation in prison. It all leads to climate of some tension.

Third, there is also a petition about CX employees that you received in 2010, I think.

So, this is the situation as we see it. We know that the two new acts are going to mean an increase in the number of inmates. We are aware that the correctional investigator has mentioned that the biggest population of people with psychiatric conditions are in federal prisons, precisely where the fewest psychiatric services are provided. You are telling us that you are aware of the problems and that the Correctional Service of Canada will be able to adapt. But, at

the same time, the correctional investigator is saying that the Correctional Service of Canada is adapting, but it takes a long time to make any progress.

Mr. Head, what are we going to do to ensure the safety of the inmates in the Correctional Service of Canada's institutions, as well as the safety of the staff of those institutions and of those who reside in the vicinity, given the two new acts, the freeze in the budget envelopes and the fact that money is being used to build or expand inside? That is my question.

• (0925)

[*English*]

Mr. Don Head: Thank you for that multi-level question.

I have a couple of comments. One of the things that we are ensuring as we move forward, as I mentioned in my opening comments, is that whatever we do, whether it's related to the changes in legislation, to departmental budget freezes, or to anything around our overall transformation agenda, is that the environment within which our staff work, our inmates live, and our visitors come to is safe and secure. That is paramount in all our decisions. We need to have a safe, secure environment for everybody who comes to those facilities.

We are, as you pointed out, very conscious of the impacts of an increased offender population coming into the facilities and what that could mean for the operating environment, the tension within the environment. We have had experience in facilities across the country where we have had double-bunking for periods of time in the past, so we do have some experience in managing that. But we are going to continue to monitor this very closely.

In terms of some of the other points you raised, I just want to mention that, as a result of budget increases in the last several years, we have been able to provide additional advanced or enhanced training to our staff, including our correctional officers. For example, we recently acquired new sidearms for our correctional officers and have just about completed the training of all staff on the new firearm.

Overall, our training budget has increased by about \$24 million, so that's allowing us to provide training not only to our correctional officers but also to our health care staff, our parole officers, and our psychologists—the whole range of staff.

In terms of the mental health issues you raised and commented on, they are of concern to us, the number of offenders who are coming in with mental health disorders and how we respond to them. We have received some increases in our budget over the last few years, but there's still a lot of work to do. As I mentioned at previous committee meetings, unfortunately, we have become the default mental health system in the country. That's not the place I want to be. I believe those with mental health problems need to be treated in other places. However, we have to respond to the decisions of the court, and we're trying to respond the best way we can, both for those who are in the institution and those who are under our supervision in the community.

[*Translation*]

The Chair: Mr. Vincent, you are going to have to be brief. You have two minutes.

Mr. Robert Vincent (Shefford, BQ): Thank you, Mr. Chair.

There is something a little contradictory there. You say one thing, but the opposite is true. You say that, by 2014, there will be 4,478 new offenders. Each new offender costs \$147,000. In addition, 4,119 additional full-time employees will be hired, an increase of 25%. You say that this will cost an additional \$2 billion, but your budgets are frozen. So could you tell me where you are going to cut back? You are going to have to make cuts somewhere. You cannot bury your head in the sand and pretend that everything is going well. At the moment, you are short of money and you have to find some to pay the staff. How are you going to do that?

● (0930)

[English]

The Chair: Mr. Head, be very brief, please.

Mr. Don Head: Thanks very much for that precise question. There are several efficiencies that we've identified that we're going to pursue, for example, the reduction in the amount of overtime. Through the implementation of our security deployment standards, our rostering system, we've been able to reduce our overtime expenditures in comparison with the previous year by about 47% and over the last three years by about 32%. That frees up significant money for us to address the impacts of the constraints we're facing.

The number that we have to address this year, based on our adjusted reference levels, is about \$4.8 million, and we're able to do that through the reduction in overtime. As well, we're also—

The Chair: Thank you, Mr. Head. I apologize, but we are running late. It's a result of our own difficulties.

Mr. Warkentin, please.

Mr. Chris Warkentin: Thank you, Mr. Chair.

I appreciate, Mr. Head, your testimony this morning. We appreciate you coming.

The opposition have come from a different side than I do. I first and foremost want to reiterate the policy of our government, that we believe that victims and the families of victims deserve the best protection. Communities in our country deserve the best protection we can afford.

Numbers that are now old and outdated estimate that the cost of crime in this country exceeds \$70 billion. Of that, if you break it down, property crime is at a cost of \$40 billion per year. The cost of violent crime—and most of this is actually borne by victims and victims' families—is over \$18 billion.

When we're talking about \$2 billion, I think we, as parliamentarians, need to remember that we're talking about \$70 billion that's being inflicted on victims and victims' families. If we can do a small part, by putting taxpayers' money towards mitigating that damage and the potential for that damage, I think we can do a great thing in that and in protecting our citizens.

In terms of the training that front-line officers have been given, I understand you've gone to great lengths to improve the capacity to address the needs and the specific needs of the inmates. You would know better than most that there's been a significant effort in the last number of years to train front-line service workers to address mental

health issues. Could you talk a little more about that and the work that's been done on that front?

Mr. Don Head: Thanks again for that question.

Over the last two years we've made a significant investment in the training of our staff overall, but very specifically, as it relates to the comment that you made, we have invested in training our front-line staff, starting with our health care professionals, in the area of mental health. As well, we have started in select sites to provide training to front-line correctional officers in terms of how to deal with and manage situations that involve offenders with mental health difficulties. We're continuing to roll out that training package across the country, given the number of individuals we have with mental health disorders. This has been a significant training priority within Correctional Service Canada for the last two years.

Mr. Chris Warkentin: I think on this side of the table we believe there is a possibility that everybody who goes into Correctional Services might be able to leave a better person. I know your group has done a great thing in working to change the way in which inmates are treated, in an expectation that there be some accountability while they're doing their time. We also believe there's an important aspect to criminals serving out their sentence so that they might benefit from the entire program and the programming that's available to them.

It's interesting when I hear from the other side that on one hand they believe these criminals should be allowed to be released earlier, but on the other hand they continue to say that in fact if they don't get out we should be afraid of those people while they're in. So we hear comments about safety concerns for our communities and the people working in the prisons, whereas if the measures weren't brought forward to reduce the two for one credit, which really sees the most violent offenders actually retained in prison to serve out their entire sentence.... So there's a real paradox. There seems to be on one side that the members opposite believe that these people should be allowed to be released, but on the other hand they see that they are a risk to the community or to individuals—

● (0935)

The Chair: Do you have a question? I'm hoping you're coming to it.

Mr. Chris Warkentin: I certainly would hope that I haven't scratched away at a sensitive spot, Mr. Chair.

The Chair: I'm certain we could bring opposition members to be witnesses.

Mr. Chris Warkentin: I've seen that there's a difference of opinion.

The Chair: Continue.

Mr. Chris Warkentin: The question is, as prisoners serve out their time and as they live out the full extent of their sentence, do you find that prison inmates, for the most part, respond well to the rehabilitation that's offered within the prison system?

Mr. Don Head: Thanks for that question.

We find very clearly through our research that offenders who participate in programs are more likely to reintegrate back into the community in a non-reoffending manner. For us that is important. We know through the various programs that we deliver and the research that we've done that the results speak for themselves. Our overall public safety results in terms of offenders who come back into the system for reoffending in a violent way or in a non-violent way continue to be some of the best results for any corrections jurisdiction around the world. That is primarily because of the programming approach we take within the Correctional Service of Canada.

The Chair: You have two and a half minutes left.

Mr. Chris Warkentin: I appreciate that, because I think that draws an important focus towards what we as parliamentarians should be concerned about. We should be concerned, first and foremost, with protecting Canadians in general, with protecting victims, and with working to not see victims revictimised by the perpetrators. That's the first and foremost concern of this government.

I think it's also important that during the time inmates are in prison there is an opportunity for rehabilitation. Clearly, that's an effort.

In terms of the accountability measures for inmates that you're working towards, could you describe them a little bit further? I understand there's an effort to ensure that inmates are engaged in programming. Are there additional accountability measures?

Oftentimes people, average citizens, hear about these different clashes that inmates experience while they're incarcerated. Oftentimes the average population wonders who is paying for this.

Is there any accountability measure if somebody gets out of hand while in prison and bashes up the cell or bashes up the facility? Is there any accountability for those people who are in custody? Do you have any comment on that front?

Mr. Don Head: Yes, just very quickly, there's accountability for everything, from following their correctional plans or not following them, which will impact their transfers to lower levels of security or their eligibility for a discretionary release granted by the National Parole Board. There are accountability measures for behaviours that are contrary to the rules. They include internal disciplinary measures and sanctions, including placement in segregation, if necessary.

In cases where individuals cause damage, there are opportunities for us to pursue remuneration for the damages they've caused. In the worst cases, individuals inside are still subject to the Criminal Code. When they commit acts against the Criminal Code, they can be further charged under the current system.

The Chair: Thank you, Mr. Warkentin. Thank you, Mr. Head.

Mr. Martin, you have eight minutes, please.

Mr. Pat Martin: Thank you, Mr. Chair.

My problem with following Chris is that I always want to use all my time arguing with him instead of talking to the witnesses.

I come from the prairie region. Winnipeg is my riding. I can't help but note, and I appreciate that you included it in your report, the

shocking, alarming, disgraceful overrepresentation of aboriginal people in the jails, at least in the prairie region.

It's my concern, it's my belief—in fact I know for a fact—that those numbers will only be exacerbated by the current tough on crime legislation that is coming down the pike. The very nature of the crimes they've identified are the very types of crimes that will increase and lengthen sentences for aboriginal people.

Can I ask, first, just as a brief question, what, roughly, is the population or the percentage of the population in the prairie region that is aboriginal in terms of inmates?

• (0940)

Mr. Don Head: It ranges from between 18% to 20%. Oh, you said in the prairies. Sorry, that's CSC overall.

Mr. Pat Martin: No, I meant in the prairie region.

Mr. Don Head: In the prairie region it's much higher, and it varies by institution. In some institutions, such as in our healing lodges, for example, it is almost 100%. It's 50% in some of the other major institutions.

Mr. Pat Martin: Those are the numbers I've come across, not the national numbers but in the area I represent. I wish Chris were still listening, because I think he would benefit from...acknowledging, at least, that in that particular case increased prison sentences are not going to prevent crime or reduce crime for that population.

One of my concerns is the contrast between your fairly optimistic report that you'll be able to meet commitments, even in light of the budgetary freeze—which is really the subject of our study—and the report of the correctional investigator that "...on the horizon, several criminal justice-related issues", etc., "are making their way through the system. They will have downstream impacts.... An increase in the prison population will add to the pressures in a system that is already having difficulty fulfilling its mandate to provide safe and humane custody, and to reintegrate offenders into their communities in a timely fashion."

That's only one paragraph from a fairly condemning report of the investigator.

I know that education and training have suffered in the institutions in recent years. There used to be salaried staff teachers in Corrections. A couple of the smart guys set up a private company called Excalibur, and they now contract to Corrections. It's not through a school division any more; it's not a supervised curriculum that's useful to the inmates. It's haphazard, thrown together, shoddy teaching at a greater cost than it used to be when they had in-house teachers. Excalibur has been exposed as a sham for years.

I know that the education and training is suffering already, and I can't help but think that if you're going to try to meet the \$2 billion in extra expenses, in light of a budgetary freeze, it's going to have to mean stacking up prisoners like cordwood—native prisoners, mostly, in my region—and cutting corners on basic things like education and training that might put them on a proper footing to do something useful when they get out of prison.

I don't see how you can possibly square that circle any other way. Perhaps give us some more specifics on how you plan to find \$2 billion over the next five years without cutting off your rations of food or something.

Mr. Don Head: Sorry, maybe I didn't make myself clear. We don't have to find the \$2.1 billion; that money is being added to our budget.

Mr. Pat Martin: But there's a budgetary freeze.

Mr. Don Head: Yes.

Mr. Pat Martin: Are you an exception to it?

Mr. Don Head: No, we're subject to the operating budgetary freeze, like others. This year, as I mentioned, it's \$4.8 million that we have to address. Next year it's \$6.3 million.

Mr. Pat Martin: So yours is about the only budget in the whole civil service that's going to explode and expand. Everybody else has to freeze their budgets and spend less.

Mr. Don Head: We're freezing at the levels, except for those cases where we're getting additional resources as a result of new initiatives that have been approved.

Mr. Pat Martin: That's quite different. In fact, it's shocking. It says a lot about the government's priorities if the only place they plan to spend more money is in locking up more young Indian kids in my riding for stealing hub caps. That's pretty revealing. That's very helpful to know.

How many of the 4,000 extra jobs are new positions and how many are due to attrition?

Mr. Don Head: The 4,119 are all new jobs and include correctional officers, nurses, psychologists, program officers—every job needed to manage that increase in the population.

I should just add as well, because you mentioned programs and education...some of the things we're doing we have been working on for the last couple of years as part of our transformation agenda. For example, around education, specifically in the prairie region, we have just recently moved back to having full-time teachers in all our institutions in the prairie region, and we're looking at doing that across the country, for all kinds of reasons.

• (0945)

Mr. Pat Martin: I'm genuinely happy to hear that. That's been a bugaboo of mine for many years.

Mr. Don Head: We've also embarked on implementing what we call our integrated correctional program model, which is intended to get offenders more engaged with their correctional plans much earlier in their sentences. Rather than having individuals waiting until about 150 to 250 days before becoming involved in their first program, we're getting offenders involved in programming within the first 30 days that they come within the federal system. That approach is a result of investments we've received since Budget 2008 specifically to enhance our capacity in programming areas and education.

Mr. Pat Martin: Thank you.

Those are all the questions I have.

The Chair: Thank you, Mr. Martin.

That takes us to the end of this session. I thank Madam Dumas-Sluyter and Mr. Head for their testimony.

I will suspend....

Is it something to do with this particular witness?

[*Translation*]

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

I am not sure if we have got to the bottom of the matter of the Correctional Service of Canada's budget freeze. Could we suggest to the subcommittee the idea of inviting the Correctional Services of Canada representatives back? Mr. Head talked about studies and budgets. I would like to go further. How can we arrange for them to appear again?

[*English*]

The Chair: Thank you, Madam Bourgeois. I don't disagree with you, but it is entirely up to the committee whether we call Mr. Head back or we call other witnesses. I hope that at the steering committee on Thursday we will actually arrive at that decision.

Meanwhile, I'm going to suspend and ask Mr. Head to leave the table.

Yes, Mr. Vincent.

[*Translation*]

Mr. Robert Vincent: Thank you.

Mr. Chair, these people are probably going to come to testify again. When they do, I would like them to provide us with forecasts of their costs and the savings they propose to achieve. We have to consider that. They were talking about a salary increase of 1.5%. That will be for several years and it will keep increasing.

[*English*]

The Chair: Mr. Vincent, the meeting is suspended. You'll have every opportunity to ask questions in the future, if in fact these witnesses come back.

• _____ (Pause) _____

•

• (0950)

The Chair: I'd like to call this meeting back to order.

We have two witnesses for the second hour of this meeting: from the Privy Council Office, Mr. Ward Elcock; and from the Department of Foreign Affairs and International Trade, Mr. Peter McGovern.

I'm going to ask Mr. Elcock and Mr. McGovern to speak in the order in which they're listed on the order paper.

Both of you have experience before this committee, and other committees, so I'm sure you'll know what to expect.

Mr. Elcock, I'll call on you first.

Mr. Ward Elcock (Former Coordinator of Olympic and G8/G20 Security, Privy Council Office): Okay, Mr. Chairman.

It's a pleasure to be here this morning to talk about my former office's role—at the moment, I am between assignments, so I don't in fact have a specific assignment—in coordinating the security budget for the G-8 and G-20 summits.

To begin, let me say a couple of words about the office's mandate in relation to G-8 and G-20 security, the related cost drivers, and finally the accountability of the Government of Canada with regard to the G-8 and G-20 security budget.

As coordinator of Olympic and G-8 and G-20 security, my mandate vis-à-vis the summits was primarily to ensure an integrated approach to security planning for the summits, to develop a comprehensive exercise program to test security planning assumptions, and to ensure that funding, planning, and operational measures were both linked and risk-based.

Based on a medium threat assessment and a review of the business cases brought forward, the Government of Canada budgeted up to \$930 million for security for the two summits. That amount included a contingency reserve of about \$55 million for unforeseen costs. Canada hosted two separate and independent summits in separate geographic locations, which frankly is unprecedented. The reality of the situation was that the magnitude of the endeavour required security operations, including land, air, and maritime components, and multiple security partners because of the various jurisdictions.

The more rural region of Muskoka and the limited size of the Huntsville community created requirements for infrastructure upgrades, temporary accommodation, telecommunications upgrades, and significant transportation and service costs. While rural settings are in some sense generally easier to secure, they can be more expensive as a result of higher fixed costs.

Remote sites are also unable to accommodate larger meetings such as the G-20, which is why virtually all of those meetings have been held in urban centres. Given the nature of the Huntsville site, reinforcements from out of area would not have arrived in time in the event of a major incident, and therefore numerous additional police officers and others were required to be kept in proximity to the site, which incurred considerable travel, accommodation, and overtime charges.

While the principal G-8 leaders were transported by helicopter, the inclusion of other world leaders dictated ground transportation from Toronto to Huntsville, requiring hundreds of kilometres of ground routes to be secured. Additional motorcades for G-8 leaders were needed in the event that inclement weather prevented air travel, a common occurrence in June in that part of Ontario.

Given the shortness of the hearing this morning, I'm trying to be very brief. I've offered you a brief overview of the context relating to the G-8 and G-20 summit security costs.

But before taking your questions, I should also speak to the government's commitment to accountability in terms of the security budget.

My office provided full cooperation to separate reviews by the Parliamentary Budget Office prior to the summits taking place and then to the Auditor General after the summits occurred.

I welcome the opportunity here today to provide Canadians with additional information and to respond to any questions you may have.

Thank you.

The Chair: Mr. McGovern.

[*Translation*]

Mr. Peter McGovern (Assistant Deputy Minister, Asia and Chief Trade Commissioner, Department of Foreign Affairs and International Trade): Mr. Chair, members of the committee, thank you for inviting me to appear before you this morning to talk about Canada's G8 and G20 summits in June.

[*English*]

Hosting a meeting of the world's political leaders is a massive undertaking. Canada hosted two such meetings back to back over the course of a single weekend, as well as an international youth summit and a summit of global business leaders. To develop the final summit's agenda, we held 29 preparatory events in the first half of 2010. These 29 meetings of officials from G-8 and G-20 countries took place in different regions across Canada. Taken all together, this proved to be an undertaking of massive unprecedented proportion.

Summitry is an activity that is extraordinary to our regular government operations. It involves not only hosting, housing, and securing foreign leaders, but also the logistic and technical work in setting up all the required meetings.

● (0955)

[*Translation*]

Every foreign leader comes with a large group of delegates, and, while these people are responsible for their own accommodation expenses, the government still has to plan for this massive influx of foreign guests, to ensure a series of summits that unfolds seamlessly.

[*English*]

More than 6,000 officials and over 3,700 media applied for accreditation to the two meetings. We served more than 100,000 meals at nine different summit venues. We secured five hotels and arranged 130,000 one-way shuttle trips between summit sites. We did all this and more with a core planning staff of about 200 people, which rose to over 600 during the events.

In the context of the 29 preparatory meetings leading to the summits, I would like to explain our site selection process, the economies of scale we achieved, and the related events we hosted in support of the G-8 and G-20 summits.

In 2007 a team of public servants began evaluating sites across Canada for the 2010 G-8. The idea was to find a site fitting the Kananaskis 2002 model, which calls for a relatively secluded location.

[Translation]

In June 2008, the Prime Minister announced that he had chosen Huntsville's Deerhurst Resort to host the 2010 G8 summit. This choice was based on the facilities there, suitable for the retreat-like nature of the G8 summit.

Then, at the 2009 Pittsburgh summit in September, Canada announced that it would host a G20 summit on the same weekend as the G8 summit in June 2010.

[English]

Clearly, the G-20 is a much larger undertaking than the G-8, with more nations, more delegates, and broader media interest. In fact, Canada invited, in all, more than 30 delegations from countries beyond the G-8 and G-20, as alluded to by Mr. Elcock, including Malawi, Jamaica, Ethiopia, Haiti, Egypt, Colombia, Vietnam, Algeria, Spain, Nigeria, Senegal, and the Netherlands, not to mention international organizations, such as the United Nations, the World Bank, the International Monetary Fund, and the World Trade Organization, to name a few. As a result, we, the planners, faced a much greater logistical challenge.

Consequently, Muskoka's Deerhurst Resort, the G-8 venue, was simply too small to accommodate the needs of the G-20. Since both the G-8 and the G-20 were to happen on the same weekend, we, the organizers, had to find a site that would mitigate the challenges of hosting two world-class events back to back. What this meant was that the G-20 venue had to be somewhere that limited leaders' movements, minimized costs, and did not unnecessarily extend the time of the combined events, including travel. Toronto, as a result, was the clearest option.

Toronto was considered the best venue for the G-20 summit, given the sheer number of G-20 delegates and the focus on contemporary global economic issues. Toronto also offered the clear advantage of being just over 200 kilometres away from Huntsville, and both sites were close to the Lester B. Pearson International Airport.

Although the summits were held in two locations, the advantage of choosing Toronto and Huntsville as hosts was that the contracts for goods and services could serve both locations, given their relative proximity. It also meant that my office did not need to double up a request for proposals process.

These last two points underscored our overarching consideration in this summit planning, finding economies of scale where possible while accommodating two concurrent international summits, as well as the youth summit and a global summit of business leaders. By hosting these summits the weekend of June 25 to 27, the summit's management office used the same core staff, the same airport, and the same international media centre.

[Translation]

From December 2009 to June 2010, the Summit Management Office organized 29 preparatory meetings, including three ministerial meetings, such as the late-March foreign ministers' meeting which took place across the Ottawa River in Gatineau.

Two of these ministerial meetings were organized with very little notice. This included the Ministerial Preparatory Conference on Haiti in Montreal just a dozen days after Haiti's devastating

earthquake in January. Although the Haitian earthquake was not on the agenda of either summit, DFAIT made efficient use of the Summit Management Office by tapping its planning expertise to deliver this conference on such short notice.

• (1000)

[English]

In addition to the increased number of preparatory meetings associated with hosting the G-20 summit, the scope of the G-8 agenda was expanded, which required additional meetings focused on the L'Aquila food security initiative and the G-8 accountability working group.

During the summits themselves, our work was comparable to a relay race. As soon as the G-8 summit ended, we immediately turned to supporting the G-20 business leaders summit, which was hosted by the Honourable John Manley of the Canadian Council of Chief Executives in Toronto in the hours before the G-20 summit began. Meanwhile, we supported the official youth summit, which started ahead of the G-8 summit and lasted through to the end of the G-20 summit.

With activities shifting from the Muskoka region to Toronto, university-led delegates observed the summit process, engaged in discussions on summit themes, and met senior officials, ministers, leaders, and other dignitaries. We welcomed more than 150 future leaders to Canada for this youth summit, a life-changing experience for all concerned.

Canada also introduced a new tool for summitry, a virtual G-20, a secure online community for G-20 sherpas and their staff to exchange documents, in part to mitigate the large number of meetings. This initiative was widely acclaimed by our G-20 counterparts. E-discussions and social media were made available to and used by media delegations and the general public on an unparalleled scale.

Conclusion. It was unprecedented in Canadian history to host not only two leader summits but also a youth summit and a summit of business leaders over the course of a single week. The key to these summit successes was our preparedness, which included the 29 preparatory meetings we hosted in the first half of the year.

Hosting just one summit constitutes an activity that is extraordinary to regular government operations, so hosting four summits, the G-8, the G-20, the international youth summit, and a summit of global business leaders, incurred extraordinary work and costs that we mitigated through economies of scale.

I should perhaps add, just as an indication of the kinds of activities that my office had to conduct, that we had a health division within my office, which provided 220 health care workers at seven 24-hour on-site emergency clinics, serving all four summits. We coordinated 61 aircraft arrivals and multiple helicopter movements between Toronto and Huntsville to make sure the leaders kept to their schedules. We did this with a core staff of one summits management office.

[Translation]

The planning of the G8 and G20 summits must be considered in the context of our site selection process, the economies of scale we achieved, and the related events we hosted in support of the summits.

[English]

The Chair: Thank you, Mr. McGovern. Thank you, Mr. Elcock.

For eight minutes, Madam Coady.

Ms. Siobhan Coady: Thank you very much. We certainly appreciate your taking the time to be here today to give us the information that is critical to Parliament and to the people of Canada.

First of all, there is a bit of a discrepancy between what was authorized by Parliament in terms of expenditures around the G-8/G-20 and what the Parliamentary Budget Officer has estimated you've spent. The parliamentary authorization was \$732.4 million, and the Parliamentary Budget Officer says it's around \$930 million. Could you please tell me what the total cost was of the G-8/G-20 summit, including all projects, all expenditures, salaries, overtime, the whole thing? Do you have that information?

Mr. Ward Elcock: Mr. Chairman, I can only comment with respect to the costs associated with security. I think we're mixing up different issues here. There was an estimated cost of about \$930 million, including \$50 million in contingency costs, but that was a budgetary estimate. An amount was also included in estimates. The amount included in estimates is less than the estimated budget cost because EBP and accommodation costs are not included in those numbers that were in the estimates, so that number is less than \$930—

Ms. Siobhan Coady: Could you give me what you have?

Mr. Ward Elcock: At this point we don't know what the final security costs will be. In some cases that is because the numbers haven't come in yet. For example, the province in respect of the Ontario Provincial Police and also Toronto city and Huntsville are in for some money, but they have to submit those accounts and they have to be audited before we'll know.

Ms. Siobhan Coady: We don't have the full account as yet is what you are telling me.

• (1005)

Mr. Ward Elcock: That's right.

Ms. Siobhan Coady: You just mentioned the OPP and the Toronto Police Service. Did they make operational decisions as to where money was being spent? How much was that? Do you have that information?

Mr. Ward Elcock: I don't know what their expenditures will ultimately be. We had a sense of what their estimated budgetary expenditures would be, but until they actually submit their costs, we won't know precisely what it was.

Ms. Siobhan Coady: When will we have a final determination of the cost of the G-8/G-20, sir?

Mr. Ward Elcock: I don't know precisely when that will be, but in the case of Ontario and the City of Toronto and Huntsville, it will depend on when they actually submit those costs, and the auditing of those costs, which is required under the program.

Ms. Siobhan Coady: Are expenditures still accruing to the G-8/G-20 summit?

Mr. Ward Elcock: No, I don't think any expenditures are accruing, but the final accounting hasn't been done yet.

Ms. Siobhan Coady: As you know, we hosted the 2010 Olympics this year, which featured 2,622 athletes, I believe, 82 countries competing in 86 events, multiple venues—nine competitive sites—and even at the opening ceremonies about 66,000 people were in attendance, including Prime Minister Harper, the Presidents of Estonia, Latvia, Georgia, Germany, the Vice-President of the United States.... In other words, there were a lot of dignitaries, including the Princess Royal. The total cost for security, as we understand it, was \$523 million, and that was for almost the month of the Olympics.

Can you justify how we spent the \$1.3 billion for a 72-hour meeting?

Mr. Ward Elcock: Mr. Chairman, on the \$523 million, I don't believe a final number has been announced, although I think there was a story in the newspaper to that effect. Whether that's accurate or not, I don't know. In fact, the numbers for security were higher. I think the \$523 million was only the number for RCMP security, which is only a part of the security bill for the Olympics.

Ms. Siobhan Coady: As you know, part of the parcel of the G-8/G-20 moneys went toward what I am going to call “legacy projects”. We had washroom facilities being built miles from the site. We had carved lighthouses. We had steamboats. We had gazebos. We had a number of what they are calling “legacy projects”, and then we had things like security costs, and that \$27.5 million that was spent to rent, convert, and then dismantle a building in Barrie that was used for a temporary command centre.

Who made those ultimate decisions on how that money was going to be spent?

Mr. Ward Elcock: Mr. Chairman, in respect of security spending, which is the only part I can comment on, infrastructure spending was not part of the security budget. It's not included in the \$930 million, so you'd have to go somewhere else for those numbers. We weren't responsible for those.

In terms of the security budget, the RCMP did have a command centre, the Integrated Security Unit, situated in Barrie. I believe they have in fact commented on the amount they spent for renting the building and setting up the facilities, which were required in order to provide security for the G-8 and the G-20.

Ms. Siobhan Coady: I'd like to turn this over to my colleague, Mr. Regan.

The Chair: Mr. Regan, you have about two and a half minutes.

Hon. Geoff Regan (Halifax West, Lib.): Thank you very much.

Gentlemen, thank you for appearing before us today.

I find it very disturbing that the cost that we in Canada spent amounts to a vast excess over what it has cost other countries to host meetings like this in the past. These are enormous costs that have been incurred at the expense of Canadian taxpayers.

But let me ask you a specific question. Just two weeks before the G-8 meeting, we read in the news that you hired Contemporary Security Canada, despite the fact that they were not even licensed to do work in Ontario. It was also reported, and acknowledged by government officials, that this problem was only discovered after the company had already been hired.

How did a company that wasn't even legally allowed to work in Ontario win a competitive bid to provide security at the G-8 and G-20 summits?

Mr. Ward Elcock: Mr. Chairman, Contemporary Security won the contract. It's my understanding that in fact the contract was conditional on their securing the requisite authorities, and in fact they did acquire the requisite authority to operate in Ontario before the event.

Hon. Geoff Regan: What about the fact that other countries have held meetings at vastly lower cost than this? Shouldn't that be of concern to Canadian taxpayers?

Mr. Ward Elcock: I have been asked to comment on that in the past and I would say the same thing I have said before. The reality is that different countries account for the amounts they spend on those events in different ways, and some countries.... Canada is probably, and I assume it's to our credit... We account for those costs in a more fulsome way than any other country that I am aware of.

•(1010)

Hon. Geoff Regan: Are you suggesting that, for example, the United Kingdom has managed to hide...that they have hidden costs of their G-20 meeting? They have an auditor general and in fact they have a public accounts committee as well as annual public accounts documents that have to be verified and signed off by the auditor general. Are you telling me that in the U.K. the government managed to mask the transfer payments and contributions so well that their auditor general would sign off on them and not realize what the real costs were?

Mr. Ward Elcock: Mr. Chairman, that's not what I said at all.

The Chair: You have about 10 seconds to answer that question.

Mr. Ward Elcock: That isn't what I said at all, Mr. Chairman. What I said was that different countries account for things in different ways. In some cases it can be as simple as how many police officers you have in the jurisdiction. In the case of the U.K., they can bring all of the police officers they need from London. In fact, people can be home for tea. In our situation, if we want 20,000 police officers, they have to come from across the country, and the various provinces from which they come have to be reimbursed for the costs when they are absent from duty. The situations are different. It's not a case of anybody hiding costs, but the ways in which costs are accounted are very different.

The Chair: Thank you, Mr. Elcock.

[*Translation*]

Mr. Vincent, you have eight minutes.

Mr. Robert Vincent: Thank you, Mr. Chair.

Good morning, Mr. Elcock and Mr. McGovern.

First, could you tell me what your mandate was in organizing the G8 and G20? I can understand that you were dealing with security, but I would like to know what your mandate was and what budget you had under that mandate to organize security at the G8 and G20.

Mr. Peter McGovern: There are actually two funding streams for the G8 and the G20. One covers security and one the organization of the meetings. Personally, I was responsible for organizing all the preparatory meetings, as I mentioned, the ministerial meetings, and so on. I—

Mr. Robert Vincent: That was not my question.

Mr. Elcock said in his testimony just now that he was responsible for security only. So, I want to know, for security only, what budget he started out with to organize the G-8 and the G-20. I understand that you held preparatory meetings, but there was a budget to keep to. When Ms. Coady asked about the rest of the organization, Mr. Elcock said that he was personally responsible for the security.

Mr. Peter McGovern: But I have to stick to a budget for organization too, Mr. Vincent.

Mr. Robert Vincent: Yes. What budget did you start with?

Mr. Peter McGovern: I started with \$249 million.

Mr. Robert Vincent: You started with \$249 million?

Mr. Peter McGovern: That was for the two meetings.

Mr. Robert Vincent: That was the budget you started with for the two meetings. How come it ended up at \$230 million?

Mr. Peter McGovern: That was not the budget we started with because we had to—

Mr. Robert Vincent: No?

Mr. Peter McGovern: Like Mr. Elcock, we prepared briefs for submission to cabinet for G8 preparations. At the end of September 2009, when the G20 summit was announced, we redid the process and we added the G20 budget. The two budgets together, from my end, come to \$249 million.

Mr. Robert Vincent: How can you estimate that it would cost about \$240 million in total to organize those two summits when you do not even know today where you were going at the time? At the time, we asked Mr. Elcock what costs would be involved given the presence of the provincial police, and he still does not know. So, if the organization is asked those questions, how come they were not asked? How come you have no budget? How come you did not stick to any budget?

Mr. Peter McGovern: The G20 announcement was made by the Prime Minister in Korea in November. Starting right then, we began to prepare documents in order to draw up our budgets. We worked with experts and they took part in the budgeting process. Of course, we used some of the fundamentals that had already been used for the G8, and, when possible, we doubled the work in order to guarantee the success of the G20. It was the same kind of process for the security, but that is not what I am talking about.

Mr. Robert Vincent: I bet someone somewhere will talk to me about security because we have to talk about it; it cost \$930 million. We are talking about \$930 million, but we don't even know what the costs were yet.

Another issue is even more relevant. Considering that a provincial police officer costs four times more than someone from National Defence, why didn't you want to have people from the Canadian Forces there? You said the following in your document: "Given the nature of the Huntsville site, reinforcements from out of area would not arrive on time in the event of a major incident." If you thought you needed reinforcements, why didn't you talk to Department of National Defence, which is four times less expensive than the provincial police? How come you did not consider that option and hire those people in this case?

• (1015)

[English]

Mr. Ward Elcock: Mr. Chairman, I think there's a misunderstanding at the base of the question. There was a number, which was bandied around in a number of newspaper stories, I think, that suggested there had been a budgetary amount of roughly \$179 million. Perhaps it was because it was in a committee of the other place, but I said at the time, immediately after the tabling of supplementary estimates (C), which contained that number of \$179 million, that \$179 million was in no way the final budget for security for the G-8 and the G-20.

The reality is, when you're planning a major security event like the G-8 and the G-20, until you actually have a plan you don't know precisely what the cost will be. We found that out in the case of the Olympics. The Olympic estimate done by a group in British Columbia turned out to be wildly inaccurate, and for the same reason we did not announce a budgetary cost for the G-8 and the G-20 until we in fact had a plan that we could cost out.

As I said earlier, the estimated budgetary cost was \$930 million, with a \$50 million contingency fund. As I also said, we don't know what the final cost will be. I have no reason to believe that it will be in excess of that \$930 million. In fact, I would expect it to probably be less, on the numbers I have seen so far. They are only partial returns, but I would expect it probably to be less.

In the case of the Ontario Provincial Police and the Toronto Police, they will submit their numbers, those numbers will be audited as required under the public safety program, and then we will get closer to what a final budgetary cost will be.

[Translation]

Mr. Robert Vincent: Mr. Elcock, I'm sorry to interrupt you, but time is ticking away.

You said that you did not know around how much the organization of the G8 and G20 summits might cost. But you already had experience with the Olympic Games, which were not that long before the G8 and G20.

I believe there must be some similarities between security for the Olympic Games and security for the G20. I feel we should be able to apply the experience from one event to organizing a good deal of the other event. It is important to have an idea of what the costs might be. You cannot give an envelope with a blank slip inside, without any figures at the bottom, for this type of operation. You must at least have an idea and act as administrators.

You really are administrators. So I cannot understand how you decided to call in the provincial police force, which costs four times more than the Canadian army, and to build communications towers because there was no other way to communicate. I just cannot wrap my brain around the fact that you held 29 planning meetings to come to the conclusion that you were in the dark and would just play it by ear.

That means that you used Canadians' money haphazardly and freely. The envelope was open and you used it telling yourselves that it would cost what it cost. You had no budget forecasts prepared. There was \$230 million and we're talking about \$179 million. We are at \$400 million now, but we don't know what the rough total is because you are unable to tell us.

[English]

The Chair: Unfortunately, you've got about 15 seconds left.

Mr. Ward Elcock: Mr. Chairman, let me just deal with the question of why not use the Canadian Forces. The suggestion has been made on a number of occasions and I have responded in earlier interviews once or twice to the question.

The use of the Canadian Forces in situations where you'd have armed soldiers dealing with civilians is entirely and utterly inappropriate. It would have been a mistake to do it. It has been a mistake in many cases in which countries have used armed military forces. They're neither trained nor have the capacity for dealing with civilians. It would be inappropriate, and for that reason we didn't use the Canadian Forces. And they would not have wanted us to—

The Chair: Thank you, Mr. Elcock.

Mr. Calandra, eight minutes.

Mr. Paul Calandra: Thank you, Mr. Chair.

Look, I represent a riding just north of Toronto, Oak Ridges—Markham. I know our York Regional Police were also part of the security operations that went into the G-8 and the G-20. One of the things that we always talk about in the Toronto context is that Toronto is a world-class city capable of handling world-class events. And I would suggest that the entire GTA is actually a world-class area.

One of the things that I did hear from my local business people was that this gave them an unprecedented opportunity to showcase the entire GTA area, especially the exporters. Their ability to connect back to the countries where they were exporting to, to showcase Toronto and all the positive things it had—and Canada—and to reflect on some of the successes that Canada has had over the last little while was an unprecedented value to them.

I'm wondering, despite all of the things we're hearing from the opposition, if there is any feedback that you can provide with respect to how the summit has been perceived outside of Canada.

• (1020)

Mr. Peter McGovern: Yes, Mr. Chairman.

I'll begin by addressing some of the benefits for the City of Toronto. With the Olympics and the G-8/G-20 being held in Canada, it very much was Canada's year, with the eyes of the world focused on us.

In terms of a message I received from Toronto tourism, they indicated to me that the hospitality industry in Toronto profited to the tune of about \$50 million over the course of that particular weekend.

As I mentioned, there were over 3,000 delegates accompanying the world leaders to the summits. There were 3,700 journalists who were in Toronto who reported on Canada as the most successful of the economies, or certainly the most successful of the economies in the G-8, in terms of the leadership that was being provided by the Prime Minister and his team. It was an unprecedented opportunity for Canada to showcase itself as a high-tech, high-innovation society.

So that was an element in terms of the vision we had in the planning of these particular meetings and having these people here. So yes, it was a success in that sense.

In terms of the substance of the meeting, our colleagues in Foreign Affairs would be better able to address that. But I think, based on what I saw at the G-8 and at the G-20, yes, it was a success.

Mr. Paul Calandra: We have a lot of discussions at this committee with respect to the Parliamentary Budget Officer, and it strikes me that, on occasion, when he agrees with the opposition he's great and when he doesn't agree with the opposition his findings are just set aside. I wonder if you could tell me, with respect to this, again...if you could go over some of the accountability measures that went into the pre-budgeting, and since then with respect to the Parliamentary Budget Officer and the Auditor General.

Mr. Ward Elcock: Mr. Chairman, this goes back to an earlier question I was asked about the cost of holding a summit like the G-8 and the G-20. The Parliamentary Budget Officer made the point, and I think it's a fair one and it is true of Canada, that many other countries have, in comparison to Canada, a much greater security infrastructure, if one is thinking specifically of security events like the G-8 and the G-20. The reality is, if you already have all of the equipment, if you have all of the people, it is much easier to deploy, it's much less expensive to do. That, for us, in some sense, because we do all of that *de novo*, we do it from the beginning—we have to bring in the people from across the country and we have to buy the equipment, or rent the equipment in most cases, for the G-8 and the

G-20—makes it a more expensive event than would otherwise be the case.

Certainly, in the context of accountability, we provided the Parliamentary Budget Officer with everything we had that he had requested. In some cases, we simply didn't have the numbers. In the case of the Auditor General, although my office has now closed up, right after the completion of the G-8 and the G-20, we spent some considerable time with them trying to provide them with numbers and background so that they could go on with their work. In point of fact, they'll be going back, and have been going back, to the various departments and agencies to understand the specifics of specific contracts or specific purchases or specific rentals, rather than in our files, which were much more dedicated to the coordination of all of that rather than managing each one of those specific contracts.

• (1025)

Mr. Paul Calandra: I was lucky enough to attend the G-8 in L'Aquila, which actually turned into a G-35 because the Italian Prime Minister had invited a lot more people there. What struck me about that one was, as you mentioned—I obviously had never been to one of these before. There were close to 10,000 people attending this. You mentioned the security infrastructure in Italy. The policing started with the municipal police, the paramilitary, the *carabinieri*. The Guardia di Finanza was also in attendance. The military was in attendance. The forestry police were brought in to secure this. The event took place on a newly completed military base that was constructed for the Guardia di Finanza.

There's been a lot of talk with respect to the location of this event in Toronto. I know some people have suggested that Toronto is incapable of hosting this type of an event. I suppose I'm the only member on this committee, with the exception of the chair, who's from the GTA. I think it was an extraordinary event, and the people of Toronto should be proud not only of what they accomplished, but of what the police force has accomplished.

I wonder about two things. Did we respect the municipal and provincial policing contracts when we did this? Obviously they have certain provisions for their working hours. Did we respect those contracts, as I think we should have and I hope we did?

Is there a military base in Toronto or close to Toronto that could have housed this? It has been discussed that we should have housed this on the CNE grounds. I've lived in the Toronto area my entire life. I do not know of a hotel on the CNE grounds that could accommodate 10,000 people. If you know of one, I'd appreciate it. I've asked consistently for people to explain to me how we could house this in a location without accommodations, and nobody has told me how....

I guess my questions are these. Did we respect the policing contracts, not only of the Toronto police...? Did the Toronto police and the command of the OPP and the RCMP do exactly what we expected them to do and police their city as effectively as we could have ever hoped they could have done?

Are there other alternatives? If we do this in the future, outside of Toronto, Montreal, or Vancouver, where could we host a G-20 that could house 10,000 people?

The Chair: Mr. Elcock, regrettably, members seem to leave very little time for responses to their last questions.

Mr. Ward Elcock: Mr. Chair, there are two things.

In terms of the municipal and provincial police, although there was an integrated security unit, each police force was responsible for its own area of jurisdiction. They would have incurred in those areas whatever expenses they would normally incur in maintaining their operations. In terms of numbers, they will ultimately bill the Government of Canada for the total incremental costs for the G-8 and G-20 event. Those will be audited, as I said, when they come in.

In terms of the L'Aquila summit, I didn't actually visit the L'Aquila summit. I visited the site where they were originally going to hold the summit, which was a considerably different and rather more expensive venture than the L'Aquila site. That summit was moved during a very short period before the G-8 and the G-20 occurred.

The Chair: Thank you for that answer, Mr. Elcock.

Go ahead, Mr. Martin.

Mr. Pat Martin: Thank you, Mr. Chair.

Canadians are reeling with shock and horror at how anyone in good conscience could spend \$1.3 billion for a three-day meeting. That's the feedback we're getting from our communities, because no matter how you shake it up, it has all the appearances of wild, irresponsible, reckless spending, in light of the largest deficit Canada's ever faced.

Specifically, whose bright idea was it to build a fake lake on the shores of a real lake? How did we ever arrive at that idea, and who was pushing for that?

Mr. Peter McGovern: Mr. Chair, the fake lake was actually an idea that I think was a wild success. The interesting dimension of that is that—

Mr. Pat Martin: We were a laughingstock, Mr. Chair.

Mr. Peter McGovern: —we took the opportunity to promote Canada as a high-tech, innovative society by leveraging the presence of the 3,700 media who were there. If, Mr. Chair, the member looks at the Olympic model, he'll note that most of the provinces had pavilions in Vancouver to leverage potential investment. We did the same thing.

I'd address the member's attention to an editorial that appeared in the *Globe and Mail* on June 29. It's called "Save the Fake Lake!" In actual fact, what that corridor allowed us to do was highlight the connectivity of Canada.

•(1030)

Mr. Pat Martin: I'm sorry to interrupt you, sir, but specifically who pushed for the fake lake? Who in your department did that? Did you personally suggest that it would be a good idea to have this fake Muskoka lake rebuilt on the shores of Lake Ontario?

Mr. Peter McGovern: First of all, the reflecting pool was one dimension of this particular quarter, which comprised three parts. You had the element that was highlighting the Muskoka region. We had an intermediary zone where we highlighted Canadian cuisine. And we had a connectivity dimension where we highlighted Canadian innovation and high technology. We partnered with the Canadian Digital Media Network, which is—

Mr. Pat Martin: At the same time, sir, we were paving the streets of Huntsville with gold in the real Muskoka, frankly. You know, everyone would like to showcase how beautiful the Muskoka region is.

Second, whose idea was it to spend that amount of money in Tony Clement's riding for projects that no delegates would ever see—these gazebos, these washrooms that were miles away from any place you ever intended to bring delegates? Who approved the budget for this lavish spending in that minister's own riding that wasn't directly to benefit the G-8 or the G-20?

Mr. Peter McGovern: Mr. Chair, I think those projects, which were deemed to be G-8 infrastructure projects, are not an element of either my work or Mr. Elcock's work.

Mr. Pat Martin: In what budget line would this show up?

Mr. Peter McGovern: I think the G-8 dimension is a bit of a misnomer. They are infrastructure projects and are administered, if I'm not mistaken, by the infrastructure individuals.

Mr. Pat Martin: All right. Could I ask you a specific question, Mr. Elcock, about the RCMP budget?

In the Library of Parliament's report to us, which pulls together the best numbers available, we have under "RCMP" \$507,459,000. Would that be roughly what your understanding is?

Mr. Ward Elcock: Mr. Chairman, I'd have to get back to you. As I said, my office has been closed down for some time, and I haven't seen any recent numbers from the RCMP in terms of actual expenditures.

Mr. Pat Martin: These are the best numbers we could come up with through the Library of Parliament.

But I did some math. Even paying an RCMP officer \$40 an hour, which is roughly what their charge-out rate would be, for \$500 million you could hire 500,000 RCMP officers for three days. That's 10 times the entire armed forces of Canada. We know the real number was more like 20,000 police officers and RCMP combined.

This is what got Canadians frustrated. They're just astronomical numbers that don't really make sense. Even when you do lay it out logically—here's what we budgeted for RCMP and here's what we paid for—you could buy 500,000 of them for three days for that amount of money. People are just.... It makes their blood boil to think of this.

How do you explain a \$500 million bill for—what would it be, maybe 10,000 officers? How many RCMP officers do you think were on the ground during the G-8 and G-20?

Mr. Ward Elcock: Mr. Chairman, the overall security force was roughly 10,000, of which 2,500 were military for specific purposes.

Mr. Pat Martin: How many were RCMP?

Mr. Ward Elcock: Then the breakdown between the RCMP in Toronto and Ontario was.... I can't remember the exact numbers. I'd have to get them for you.

The issue, however, isn't simply salaries, Mr. Chairman. It's also equipment. It's also services that had to be put in place.

Mr. Pat Martin: Well, that's where we're not satisfied. As the oversight committee for PCO, that's where we are not satisfied, frankly. If it's only a couple of thousand RCMP officers and not the 500,000 that you could pay for here, then you're spending hundreds of thousands of dollars per person.

•(1035)

Mr. Ward Elcock: No, Mr. Chairman. To break it down on a per person basis actually makes, I think, little sense.

Mr. Pat Martin: Well, when you have to pay the bill, it makes a lot of sense. That's why we're asking for proof.

Mr. Ward Elcock: Mr. Chairman, I think when the numbers are finally in, it will be clear what the expenditures were for. In some cases, those numbers were announced at the time. In some cases, therefore, radio systems were required. In some cases, installations of towers were required in northern Ontario to allow the police to communicate with each other. A number of expenditures were required as part of G-8 and G-20 security. It was not simply the people.

Mr. Pat Martin: From a pure process point of view, from a parliamentary point of view, in the estimates process the amount that was approved in the supplementary and main estimates for the RCMP was \$321.5 million. That's the total approved spending.

The Library of Parliament has assessed to date—and you say the numbers aren't all in—\$507 million. I mean, there's a spread of almost \$200 million there, and we can't find how that spending was approved. Was this by some spending warrant authorized by the Governor General? Was it something that bypassed Parliament altogether?

Mr. Ward Elcock: Mr. Chairman, I'd have to dig out the specific number that the honourable member is asking for. The reality is that—

Mr. Pat Martin: With all due respect, sir, I think you should have come here with those numbers. You have come here before a parliamentary committee specifically to answer questions about the spending. The fact—

Mr. Ward Elcock: Mr. Chairman, we don't—

Mr. Pat Martin: —that the door has been closed for a while is not much comfort to us.

Mr. Ward Elcock: Mr. Chairman, as I said, we don't actually have a final number for RCMP expenditures at this juncture. The numbers that were included in estimates are the numbers that were

included in estimates, and those are the numbers the RCMP was authorized to spend.

The estimates numbers, however, do not include such things as EBP and accommodation numbers, which would be separate. They would in fact appear to be less than the actual expenditures of the RCMP.

The Chair: Thank you, Mr. Elcock.

Can you give the committee an undertaking to reappear before the committee with those numbers?

Mr. Ward Elcock: I can, at some point, if the committee wishes. The numbers in estimates are the numbers in estimates, and I couldn't provide anything better than those. In terms of the final numbers, it won't actually be my responsibility to deal with the final numbers, but I'd certainly be happy to come back at that point in time.

The Chair: Thank you, sir.

Mr. Regan, for five minutes, please.

Hon. Geoff Regan: Thank you very much, Mr. Chairman.

Gentlemen, I think the reaction of most Canadians to this fake lake was, "Look, we've got a few other lakes in Canada; we've got a few real lakes. In fact, we've got thousands and thousands of real lakes in Canada. Why the heck do we need to spend \$1 million or whatever on a fake lake?"

I guess the question I have for you is whether anyone in the Conservative government ever called you or your offices to say, "What are you doing here with this fake lake—shut it down."

Mr. Peter McGovern: Mr. Chairman, excuse me if I gave the impression that the corridor was solely about a fake lake. There was a reflecting pond. That reflecting pond was used by thousands of journalists over the course of the meeting, including breakfast television in the U.K., which wanted to do a live broadcast from Muskoka to their audience in the U.K., only to discover, of course, that when you come on at two in the morning, it's somewhat dark out. As a consequence, they used the high-definition images of the Muskoka region as the backdrop for their live broadcasts. It was used by countless other media organizations. It was a draw that brought journalists in and then allowed them to—

Hon. Geoff Regan: Mr. Chairman, if you don't mind, the question was very simple. The question was only "Did anyone call from the Conservative government and say that?" I guess you're saying the answer is no. Or are you answering that question? Did anyone call and say, "What are you doing—shut it down"?

Mr. Peter McGovern: No.

Hon. Geoff Regan: No one from the Conservative government. Thank you very much.

As you know, Mr. Elcock, there have been some eyebrows raised by some of the expenditures, for example, \$14,000 on glow sticks, snacks at the Park Hyatt hotel, and others. Where did these costs come from? Were these decisions that were made by you and your team solely, or were the different elements of the overall security operation making decisions on spending?

Mr. Ward Elcock: Mr. Chairman, there was a security plan, which was developed by the Integrated Security Unit with the cooperation of the various police forces involved. As a consequence of that, there were estimates of what would be required to deliver that security plan; it was costed out. There was a process to challenge those estimates, and from there the various police forces would have gone out to acquire the various supplies they would require.

Now, in some cases some of the supplies are contracted for on the basis that you plan for the worst and hope for the best. In other words, you have to be prepared for serious problems, not for a walk in the park, particularly when you're—

• (1040)

Hon. Geoff Regan: So glow sticks help with those serious problems in some way?

Mr. Ward Elcock: Pardon?

Hon. Geoff Regan: Forgive me, but where do the glow sticks fit in, in terms of security and serious problems?

Mr. Ward Elcock: I can't speak off the top of my head to the glow sticks, but I would suspect, Mr. Chairman, that if there had been problems around the G-8 site in Huntsville, they probably would have needed more glow sticks than they may have otherwise used in what was a relatively quiet meeting, thankfully.

The Chair: You have one minute.

Hon. Geoff Regan: Oh, I thought you said I was going to be done.

My colleague, Madam Coady, has a quick question, I believe.

Ms. Siobhan Coady: Well, I'm just trying to get a handle.

You said there's a security plan and that you budgeted \$930 million. Is that correct? Is that what we're understanding? Just a yes or no.

Mr. Ward Elcock: The budget estimate was ultimately \$930 million, with a \$50 million contingency.

Ms. Siobhan Coady: Absolutely. So do we have that budget detail? I understood that you said you don't have all the costs in yet, so you don't know if you're within that \$930 million or below that \$930 million and where those appropriations were made.

Mr. Ward Elcock: As to the amount that was actually appropriated in estimates, I can't remember the exact number, but I think it's about \$833 million. But that would not include EBP or accommodation costs; those would be the actual estimates numbers, roughly.

Ms. Siobhan Coady: And one final question goes to those infrastructure projects. I'm hearing from you that the bathrooms and the lovely gazebos and the steamboat all came out of infrastructure spending. It was not under the \$930 million you're talking about now; it's in addition to. That's what I'm hearing.

Mr. Ward Elcock: I think, as Mr. McGovern said, the infrastructure spending costs came out of neither the security budget nor his budget for the G-8 and the G-20.

Ms. Siobhan Coady: So it's in addition to the \$930 million?

The Chair: Thank you, Madam Coady.

Thank you, Mr. Elcock.

We have two minutes for Madam Bourgeois, two minutes for Mr. Holder, and that will be the end of the questioning.

[*Translation*]

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

I would first like to say that the committee will have to invite other people, especially the people from Infrastructure Canada and from Public Works and Government Services Canada since you are unable to provide us with either a breakdown of expenses or the exact costs.

Gentlemen, what strikes me about all this—and this is just a personal observation—is that, from the outset, the choice of the two summit sites was not up to you. It seems that there were four sites and the choice was made randomly, without worrying about how much Canadian taxpayers would have to come up with. It is clear to me that things were really done on the fly. There was no program, no project, no financial analysis, and I find that outrageous.

Could you tell me what came of the lake we heard so much about? Is it still there or has it been filled in?

[*English*]

Mr. Peter McGovern: No.

[*Translation*]

Ms. Diane Bourgeois: It is no longer there? Has it been filled in? How much did the lake cost?

Mr. Peter McGovern: One million dollars.

Ms. Diane Bourgeois: It cost \$1 million and it has been filled in?

Mr. Peter McGovern: The lake was about \$50,000 of the whole project.

Ms. Diane Bourgeois: Thank you.

[*English*]

The Chair: *Merci, madame.*

Mr. Holder, you have the final two minutes.

Mr. Ed Holder: Thank you, Chair.

I'd like to acknowledge, Mr. McGovern, Mr. Elcock.... I need to say something that no one around this table has said yet, and that is, well done. I sincerely mean that: well done.

We've all been exposed to and are aware of summits internationally—G-8, G-20—in the past that have had violent protests that have resulted in serious injuries to security personnel and to those who want to provide peaceful protest. My sense is that had there been anything of a serious nature, it would have been dramatic and a really dark stain on Canada.

So I applaud the approach that you've taken with respect to security, and frankly, I wish people around this table would get behind this particular effort to say well done. I want to say that from the standpoint of the government, we're very proud of the work that has been done.

To you, Mr. Elcock, my question would be this: from a security standpoint, would you have done anything different, from what you've seen now, as a result of being able to connect the dots in hindsight?

•(1045)

Mr. Ward Elcock: Mr. Chairman, I know there are some inquiries of various organizations in respect of some of the specific tactics used in the G-8 or G-20, or alleged to have been used in them. Those will ultimately go forward, and there will be a finding at some point. So I'm not going to comment on those issues.

In terms of putting in place adequate security for a meeting of virtually all of the senior government leaders for most of the world, if you don't provide security for it, that's a very tempting soft target. So by definition, it's essential that we provide security for an event like that to ensure that it is in fact a hard target, and unfortunately that is a costly endeavour in the modern world. Particularly after 9/11, there is no question that security standards have gone up, and many leaders will simply not come to a meeting at which adequate security doesn't exist.

In this case, I think the security plan was a solid one. I think it was carried out effectively. As I said, there may be some specific aspects that will come under review, and people will ultimately make findings on those, but I think overall the summit security was entirely appropriate.

The Chair: Thank you, Mr. Elcock.

Thank you, Mr. Holder.

Before I adjourn, I want to thank the two witnesses on behalf of the committee for their testimony. We appreciate their help.

Also, before I adjourn, I need approval of a budget of \$13,575 for Bill C-429, for witnesses. Could I have a mover?

Mr. Ed Holder: I so move.

Mr. Pat Martin: I second the motion.

The Chair: Mr. Holder moves it and Mr. Martin seconds it.

(Motion agreed to)

The Chair: The chair sees that it's unanimous.

The second thing is that we are running up against a timeline on Bill C-429. I have asked the clerk to be ready for clause-by-clause at the end of Thursday, so in the event that we do move to clause-by-clause consideration of Bill C-429 on Thursday—which is by no means certain—we'll be ready to proceed. Therefore, members need

to have any amendments they wish to make prepared for the end of Thursday.

Mr. Chris Warkentin: Mr. Chair, thank you for that. In the event there's a determination by this committee that we should extend our work and ask for an extension from the House on this particular bill, is there any way we could prepare to have that in place, if in fact that's necessary?

The Chair: We can have that. Yes, agreed.

Mr. Chris Warkentin: Thanks.

The Chair: Yes, Mr. Holder.

Mr. Ed Holder: Thank you.

I won't take much time, but I think that as chair you have one of the more interesting challenges on a committee. All I would ask is that when there is a second-round opportunity, you pay mind to the clock and average out the time so that members around the table get equal time.

I noticed that my colleagues in the Liberal Party had five minutes and my good friends from the Bloc and the Conservatives had two minutes each, and Mr. Martin did not have one more opportunity to say anything.

So could I just ask you to be mindful, please, sir?

The Chair: That's my fault entirely, and I apologize to colleagues. I had understood that you just maintained the second round until you ran the time. But apparently it's customary at this committee that you divide the time. The rules are what the committee says the rules are, and I was informed by Mr. Warkentin that you divide the time.

An hon. member: Is he the authority on time?

The Chair: I'll do whatever the committee wishes me to do, but I would like some clarification from the committee.

An hon. member: Let's talk about it on Thursday.

The Chair: Fine.

Thank you, ladies and gentlemen.

The meeting is adjourned.

MAIL  POSTE

Canada Post Corporation / Société canadienne des postes

Postage paid

Port payé

Lettermail

Poste-lettre

**1782711
Ottawa**

If undelivered, return COVER ONLY to:
Publishing and Depository Services
Public Works and Government Services Canada
Ottawa, Ontario K1A 0S5

*En cas de non-livraison,
retourner cette COUVERTURE SEULEMENT à :*
Les Éditions et Services de dépôt
Travaux publics et Services gouvernementaux Canada
Ottawa (Ontario) K1A 0S5

Published under the authority of the Speaker of
the House of Commons

SPEAKER'S PERMISSION

Reproduction of the proceedings of the House of Commons and its Committees, in whole or in part and in any medium, is hereby permitted provided that the reproduction is accurate and is not presented as official. This permission does not extend to reproduction, distribution or use for commercial purpose of financial gain. Reproduction or use outside this permission or without authorization may be treated as copyright infringement in accordance with the *Copyright Act*. Authorization may be obtained on written application to the Office of the Speaker of the House of Commons.

Reproduction in accordance with this permission does not constitute publication under the authority of the House of Commons. The absolute privilege that applies to the proceedings of the House of Commons does not extend to these permitted reproductions. Where a reproduction includes briefs to a Committee of the House of Commons, authorization for reproduction may be required from the authors in accordance with the *Copyright Act*.

Nothing in this permission abrogates or derogates from the privileges, powers, immunities and rights of the House of Commons and its Committees. For greater certainty, this permission does not affect the prohibition against impeaching or questioning the proceedings of the House of Commons in courts or otherwise. The House of Commons retains the right and privilege to find users in contempt of Parliament if a reproduction or use is not in accordance with this permission.

Additional copies may be obtained from: Publishing and
Depository Services
Public Works and Government Services Canada
Ottawa, Ontario K1A 0S5
Telephone: 613-941-5995 or 1-800-635-7943
Fax: 613-954-5779 or 1-800-565-7757
publications@tpsgc-pwgsc.gc.ca
http://publications.gc.ca

Also available on the Parliament of Canada Web Site at the
following address: <http://www.parl.gc.ca>

Publié en conformité de l'autorité
du Président de la Chambre des communes

PERMISSION DU PRÉSIDENT

Il est permis de reproduire les délibérations de la Chambre et de ses comités, en tout ou en partie, sur n'importe quel support, pourvu que la reproduction soit exacte et qu'elle ne soit pas présentée comme version officielle. Il n'est toutefois pas permis de reproduire, de distribuer ou d'utiliser les délibérations à des fins commerciales visant la réalisation d'un profit financier. Toute reproduction ou utilisation non permise ou non formellement autorisée peut être considérée comme une violation du droit d'auteur aux termes de la *Loi sur le droit d'auteur*. Une autorisation formelle peut être obtenue sur présentation d'une demande écrite au Bureau du Président de la Chambre.

La reproduction conforme à la présente permission ne constitue pas une publication sous l'autorité de la Chambre. Le privilège absolu qui s'applique aux délibérations de la Chambre ne s'étend pas aux reproductions permises. Lorsqu'une reproduction comprend des mémoires présentés à un comité de la Chambre, il peut être nécessaire d'obtenir de leurs auteurs l'autorisation de les reproduire, conformément à la *Loi sur le droit d'auteur*.

La présente permission ne porte pas atteinte aux privilèges, pouvoirs, immunités et droits de la Chambre et de ses comités. Il est entendu que cette permission ne touche pas l'interdiction de contester ou de mettre en cause les délibérations de la Chambre devant les tribunaux ou autrement. La Chambre conserve le droit et le privilège de déclarer l'utilisateur coupable d'outrage au Parlement lorsque la reproduction ou l'utilisation n'est pas conforme à la présente permission.

On peut obtenir des copies supplémentaires en écrivant à : Les
Éditions et Services de dépôt
Travaux publics et Services gouvernementaux Canada
Ottawa (Ontario) K1A 0S5
Téléphone : 613-941-5995 ou 1-800-635-7943
Télécopieur : 613-954-5779 ou 1-800-565-7757
publications@tpsgc-pwgsc.gc.ca
http://publications.gc.ca

Aussi disponible sur le site Web du Parlement du Canada à
l'adresse suivante : <http://www.parl.gc.ca>